



**SPECIAL CITY COUNCIL WORKSESSION
RICHFIELD MUNICIPAL CENTER, BARTHOLOMEW ROOM
MAY 12, 2015
5:45 PM**

Call to order

1. Discussion regarding the Richfield Historical Society funding request (Council Memo No. 35)

Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.



**SPECIAL CONCURRENT CITY COUNCIL AND HOUSING AND REDEVELOPMENT
AUTHORITY WORKSESSION
RICHFIELD MUNICIPAL CENTER, BARTHOLOMEW ROOM
MAY 12, 2015
6:00 PM**

Call to order

1. Discussion regarding the Cedar Point II Housing Redevelopment Area Proposals (Council Memo No. 33/HRA Memo No. 17)

Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.



**REGULAR CITY COUNCIL MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
MAY 12, 2015
7:15 PM**

INTRODUCTORY PROCEEDINGS

Call to order

Open forum (15 minutes maximum)

Each speaker is to keep their comment period to three minutes to allow sufficient time for others. Comments are to be an opportunity to address the Council on items not on the agenda. Individuals who wish to address the Council must have registered prior to the meeting.

Pledge of Allegiance

Approval of the minutes of the (1) Special City Council Meeting of April 28, 2015; (2) Special City Council Worksession of April 28, 2015; and (3) Regular City Council Meeting of April 28, 2015.

PRESENTATIONS

1. Presentation of Certificates of Appreciation to Miss Richfield Ambassadors (Council Memo No. 32)
2. Presentation and consideration of a resolution authorizing acceptance of a grant received by the Richfield Fire Department from the Firehouse Subs Public Safety Foundation and to authorize receipt of the training equipment to be utilized by the Fire Department.
Staff Report No. 67
3. Presentation by CenterPoint Energy on Richfield Service Replacements and Yard Restoration.
4. Presentation regarding National Public Works Week
5. Presentation of the Richfield Tourism Promotion Board, Inc. financial report for year-end December 31, 2014 and 2013
6. Presentation of Minnesota Certified Municipal Clerk Certificate from Minnesota Clerks and Finance Officers Association to Richfield Deputy City Clerk Theresa Schyma

COUNCIL DISCUSSION

7. Hats Off to Hometown Hits

AGENDA APPROVAL

8. Approval of the agenda.
9. **Consent Calendar contains several separate items, which are acted upon by the City Council in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further Council action on these items is necessary. However, any Council Member may request that an item be removed from the Consent Calendar and placed on the regular**

agenda for Council discussion and action. All items listed on the Consent Calendar are recommended for approval.

- A. Consideration of the approval of the purchase of a point of sale and inventory tracking system from Retail Information Technology Enterprises (RITE) for a one-time sum of \$53,236.76 and a first year estimated annual maintenance cost of \$9,322.71 for the four municipal liquor stores.
Staff Report No. 68
- B. Consideration of the approval of a resolution authorizing acceptance of Office of Traffic Safety (OTS) funds for a four-year grant to fully fund an officer and fully equipped squad car dedicated for DWI enforcement in Richfield.
Staff Report No. 69
- C. Consideration of the approval of a resolution authorizing the Richfield Housing and Redevelopment Authority to reduce the original tax capacity of the Gramercy Park Cooperative Tax Increment District due to Homestead Market Value Exclusion.
Staff Report No. 70
- D. Consideration of the approval of a resolution authorizing the Richfield Housing and Redevelopment Authority to reduce the original tax capacity of the Lyndale Gateway, LLC Tax Increment District due to Homestead Market Value Exclusion.
Staff Report No. 71
- E. Consideration of the approval of a resolution authorizing acceptance of grants received by Richfield Recreation Services Department from Hennepin County for youth sports equipment and to authorize the Recreation Services Director to execute the associated grant agreements.
Staff Report No. 72
- F. Consideration of the approval of the following related to the Penn Avenue Tower Reconditioning project:
1. Accept the bid minutes/tabulation and award a contract for the Penn Avenue Tower Reconditioning project to TMI Coatings, Inc. in the amount of \$992,450.00.
2. Authorize for the City Manager to approve contract changes under \$100,000 without further City Council action.
Staff Report No. 73
- G. Consideration of the approval of a resolution directing parallel private utility undergrounding within the project limits of the Portland Avenue Reconstruction project (67th Street to 77th Street).
Staff Report No. 74

10. Consideration of items, if any, removed from Consent Calendar

PUBLIC HEARINGS

11. Public hearing regarding the consideration of the cable communications franchise application of Century Link to provide service to the City of Richfield.
Staff Report No. 75

RESOLUTIONS

12. Consideration of a resolution awarding the sale of \$9,435,000 General Obligation Street Reconstruction Bonds, Series 2015A.
Staff Report No. 76

CITY MANAGER'S REPORT

13. City Manager's Report

CLAIMS AND PAYROLLS

14. Claims and payrolls

Open forum (15 minutes maximum)

Each speaker is to keep their comment period to three minutes to allow sufficient time for others. Comments are to be an opportunity to address the Council on items not on the agenda. Individuals who wish to address the Council must have registered prior to the meeting.

15. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.

CITY OF RICHFIELD, MINNESOTA
Office of City Manager

May 7, 2015

Council Memorandum No. 35

The Honorable Mayor
and
Members of the City Council

Subject: Request by Richfield Historical Society for annual funding
(Worksession Agenda Item No. 1)

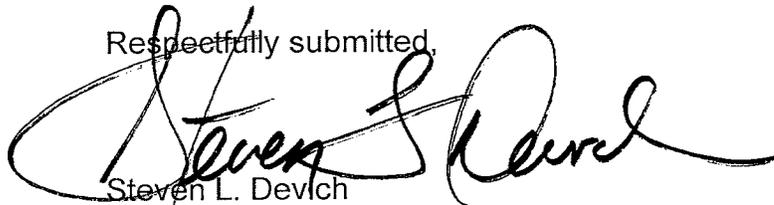
Council Members:

The first portion of the May 12 Study Session concerns a request by the local Historical Society for funding. The City has provided some limited funding to the Historical Society once several years ago. However, the funding was for the purchase of books that were published by the Society.

Attached you will find a City Attorneys Opinion regarding such funding requests as well as a State Auditors opinion relative to the issue. Please be sure to review these documents prior to the May 12 meeting.

If you have any questions regarding this matter please feel free to contact me.

Respectfully submitted,

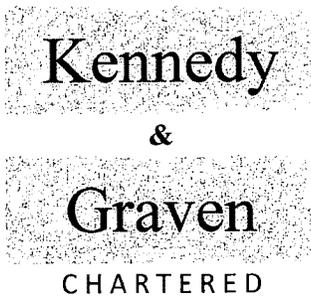


Steven L. Devich
City Manager

SLD:tjs

Attachment

E-mail: Department Directors
Assistant to the City Manager



Mary D. Tietjen
470 US Bank Plaza
200 South Sixth Street
Minneapolis MN 55402

(612) 337-9277 telephone
(612) 337-9310 fax
mtietjen@kennedy-graven.com
<http://www.kennedy-graven.com>

MEMORANDUM

DATE: May 6, 2015
TO: Steve Devich, City Manager
FROM: Mary D. Tietjen, city attorney
Re: Historical Society Donation Request

This memorandum is in response to the Historical Society's donation request.

Public expenditures must meet two general criteria to be legal. First, the funds must be expended for a "public purpose," which is required by the Minnesota Constitution. Second, a city must have explicit statutory or charter authority to make an expenditure. The specific question addressed herein is whether the city has the authority to make a monetary donation to the Richfield Historical Society (the "Society"). In brief, the answer is probably not, for reasons discussed below.

First, the donation must be for a public purpose. The types of public purposes that have been recognized by the Minnesota Supreme Court are those things that promote, for the benefit of all city residents, the public health, safety, welfare, security, prosperity, and contentment. Any donation to the Society should generally advance these purposes. Because the query into whether a particular expenditure meets the public purpose requirement is highly fact specific, each expenditure and each project needs to be analyzed. Therefore, the city should consider who would ultimately benefit from this donation to determine whether it is a public, or private, purpose.

Second, a city must have also explicit authority to expend funds. Minnesota statutes provide some general grants of authority and city charters may provide for additional authorization. There are two statutes which may apply in this situation, but neither seems to explicitly allow the city to make a donation to the Society. First, Minnesota Statutes § 138.053 authorizes a city to pay money directly to a *county* historical society. However, in this case the Society is not a

county society, so this statute does not provide authority for the expenditure. Second, Minnesota Statutes § 471.93 authorizes a city to appropriate funds for the purpose of commemorating or celebrating a specific historical event. While this language seems somewhat vague, the Minnesota Attorney General has opined that this statute does not give a city the authority to donate an amount for a society to use as they see fit.¹ Instead, the AG has stated that a city may contract with an entity to carry out certain activities *authorized by this section*. This again requires that the specific action for which the Society is seeking money be authorized under the statute. The Minnesota State Auditor has also issued a statement of position which highlights these same principles, and generally prohibits donations absent some specific authority.

Finally, the Richfield Charter also requires the city to create an annual budget, and only those expenditures listed in the annual budget may be made.² Further, the Charter also limits how, and when, the council may alter an annual budget resolution.³

Ultimately, a general appropriation of city funds to provide a donation to the Society would be questionable given the legal requirements. However, the city may use its broader authority to contract with the Society to carry out specific tasks, as has been done in the past.

¹ Minn. Op. Atty. Gen. 59-A-3, Jan. 15, 1959.

² Richfield City Charter, Section 7.07 – 7.08.

³ Richfield City Charter, Section 7.09.



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
state.auditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Statement of Position

Public Expenditures: Donations and Dues

Public entities are often asked to give funds to support various groups and activities. While the causes may be worthwhile, public entities need to be cautious when making any financial commitments involving public funds.

In most circumstances, public entities have no authority to give away public funds as donations. Generally, in order to spend money, a public entity must have authority to do so. Authority for an expenditure may be specifically stated in a statute or charter, or it may be implied as necessary to do what an express power authorizes. In addition, the expenditure must be for a "public purpose."

Gifts/Donations to Private Individuals/Organizations

Following these general principles, donations to people, non-profits, charities, or other groups are not permitted unless they are based upon specific statutory or charter authority. For example, the Minnesota Attorney General's Office has issued opinions finding that cities have no authority to donate city funds to organizations such as the Red Cross or the Boy Scouts.¹ The assumption is that a gift of public funds to an individual or private entity serves a private rather than a public purpose.

Before a public entity makes a contribution, it is important for that entity to determine that it has specific authorization to make the expenditure. Here are some examples of specific, statutorily authorized appropriations:

- **Artistic Organizations.** A county, city or town may appropriate money to support artistic organizations.²
- **Historical Causes.** A town or city may appropriate annually a specified amount to a county historical society so long as the society is affiliated with, and approved by, the Minnesota Historical Society.³ Cities have express authority to commemorate important and outstanding events in city history, and to appropriate money to collect, preserve and distribute its history data for future generations.⁴ The Attorney General's Office recognizes that a city can advance money to a

¹ See, for example, Op. Att'y Gen. 59-A-3 (May 21, 1948).

² Minn. Stat. § 471.941.

³ Minn. Stat. § 138.053.

⁴ Minn. Stat. § 471.93.

Reviewed: December 2014
Revised: April 2014

2007-1017

nonprofit to sponsor a centennial celebration.⁵

- **Prevention of Cruelty to Animals.** A county may appropriate money for maintenance and support of the local society for the prevention of cruelty to animals.⁶
- **Food Shelves.** Cities and counties may donate funds in the form of grants to food shelves providing food to the needy without charge.⁷
- **Senior/Youth Centers.** A county, city or town may appropriate money to support the facilities, programs, and services of a public or private, not-for-profit senior citizen center or youth center.⁸
- **Public Recreation Programs.** Counties, cities, towns and school districts may spend funds to operate programs of public recreation, recreational facilities, and playgrounds.⁹ These programs may be conducted independently or with any nonprofit organization.
- **Promotion.** A city or urban town may appropriate up to \$50,000 annually to an incorporated development society or organization of this State, for promoting, advertising, improving, or developing the economic and agricultural resources of the city or urban town.¹⁰ A city may appropriate money to advertise the city and its resources and advantages.¹¹ Similarly, a county may appropriate funds to a similar entity for promoting, advertising, improving or developing the economic and agricultural resources of the county.¹² The county statute does not contain an annual spending limit.
- **Employee Recognition.** Towns may spend funds to recognize volunteers, service efforts, and retiring town officers.¹³ Counties and cities may spend funds for preventive health and employee recognition services.¹⁴
- **Community Celebrations.** Towns may spend funds to host or support a community celebration.¹⁵ Cities or towns may spend funds on Memorial Day observances,¹⁶ and may appropriate money for county or district fairs,¹⁷ centennial and historical celebrations.¹⁸ Statutory cities may spend funds to provide free musical entertainment.¹⁹ The authority to purchase fireworks seems to be implied.²⁰

⁵ See Op. Att’y Gen. 59a-3 (Jan. 18, 1968) (citing Minn. Stat. § 471.93).

⁶ Minn. Stat. § 343.11.

⁷ Minn. Stat. § 465.039.

⁸ Minn. Stat. § 471.935.

⁹ See generally, Minn. Stat. §§ 471.15 to .1911. Minn. Stat. Minn. Stat. § 469.189., and 471.16, subd. 1.

¹⁰ Minn. Stat. § 469.191. In addition, Economic Development Authorities (EDAs) have authority to conduct activities advancing the city and its economic development, and to carry out other public relations activities to promote the city and its economic development. See generally, Minn. Stat. §§ 469.090-.1081 and Minn. Stat. § 469.1082 (county EDAs).

¹¹ Minn. Stat. § 375.83.

¹² Minn. Stat. § 469.189.

¹³ Minn. Stat. § 365.10, subd. 12 (but electors must approve).

¹⁴ Minn. Stat. § 15.46.

¹⁵ Minn. Stat. § 365.10, subd. 12 (but electors must approve).

¹⁶ Minn. Stat. § 465.50.

¹⁷ Minn. Stat. § 38.12.

¹⁸ Minn. Stat. § 471.93.

¹⁹ Minn. Stat. § 412.221, subd. 15.

²⁰ Minn. Stat. § 624.22, subd. 1(a) (2) (A municipality may stage a fireworks display after obtaining a permit).

As an alternative to a donation, a public entity may enter into a contract with an organization to accomplish tasks that the entity is authorized to perform by statute or charter. For example, a city could not give money to the Boy Scouts for a recycling program, but the city could enter a contract with the Boy Scouts to do part of its recycling program. The amount of money paid to the Boy Scouts must be related to the value of the services they provide to the city.

Memberships and Dues

There is no general authorization for cities to join “private” organizations; but there may be specific statutory or charter authority to join specific organizations. For example, cities and urban towns in Minnesota may pay dues to become members of the League of Minnesota Cities.²¹

Similarly, cities, counties, and towns may appropriate money for membership in county, regional, state, and national associations of a civic, educational, or governmental nature. These associations must have as their purpose the betterment and improvement of municipal governmental operations.²² This authorization also allows public entities to participate in the meetings and activities of these associations.

A school board may authorize and pay for the membership of the school district or of any district representative designated by the board in those local economic development associations or other community or civic organizations that the board deems appropriate.²³

The Attorney General’s Office has determined that local units of government may *not* pay dues to a local chamber of commerce²⁴. However, because cities and urban towns may appropriate up to \$50,000 to an incorporated development society or organization for promotional activities, a city or urban town could contribute to a local chamber of commerce for one of the purposes authorized by statute, such as promoting the city or urban town.²⁵ Counties have similar authority but do not have the \$50,000 monetary cap.²⁶ The use of public funds would be limited to statutorily authorized activities. As a result, the OSA recommends that counties, cities, and urban towns create and maintain documentation that shows the funds have been given for specific statutory purposes.²⁷

²¹ Minn. Stat. § 465.58.

²² Minn. Stat. § 471.96.

²³ Minn. Stat. § 123B.02, subd. 24.

²⁴ See Attorney General Letter dated June 27, 1997 (attached).

²⁵ Minn. Stat. § 469.191. An EDA has broader authority to join an official, industrial, commercial or trade association, or other organization concerned with one of the EDA’s authorized purposes.

²⁶ Minn. Stat. § 375.83.

²⁷ Documentation includes, but is not limited, to minutes, resolutions and contracts.

CITY OF RICHFIELD, MINNESOTA
Office of City Manager

May 7, 2015

Council Memorandum No. 33

The Honorable Mayor
and
Members of the City Council

HRA Memorandum No. 17
Authority and Redevelopment
Authority Commissioners
City of Richfield

Subject: Cedar Point II Housing Redevelopment Area Proposals
(Worksession Agenda Item No. 1)

Council Members and Commissioners:

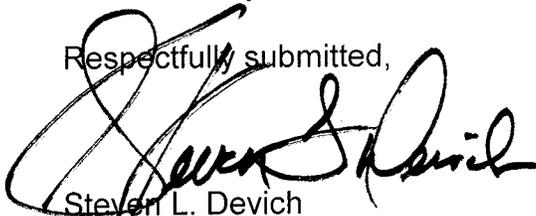
At the April 14, 2015 joint City Council and Housing and Redevelopment Authority (HRA) worksession, six development teams presented preliminary proposals for the development of the Cedar Point Housing area.

Given the limited time available and the number of proposals, the City Council and HRA requested additional time to review the proposals and directed staff to request additional information from the developers to be presented at a subsequent worksession for discussion.

The attached chart provides a summary of the six proposals, including the additional information requested. The information stated in the chart comes directly from the responses submitted by each of the development teams and does not reflect opinions or information garnered by staff. Hard-copies of the submitted proposals will be distributed to the City Council and HRA prior to the meeting.

The developers will be available to answer questions at the May 12, 2015 worksession; however, they will not be making further presentations at that time.

Respectfully submitted,



Steven L. Devich
City Manager

SLD:kcb
Attachment
Email: Department Directors
Assistant City Manager

CEDAR POINT II HOUSING AREA PRELIMINARY PROPOSAL SUMMARY

Development Team	<u>Kristi Olson, Tushie Montgomery Architects, Weis Builders</u>	<u>Anderson Companies</u>	<u>Mesaba Capital</u>	<u>Cedar Shores Development Group</u>	<u>Boisclair Corporation</u>	<u>Sand Companies</u>
Team Members	Kristi Olson, Gary Tushie, Rick Fenske	Kent Carlson, Anderson Co.; Steven Schwanke, Westwood Professional Services; Rob Howard, Pope Architects; Mary Tanum, Fredrikson & Byron	Della Kolpin, Mesaba Capital; Bo Nickoloff, Mesabla Capital; Trident Development	Pablo Murillo; Michael Moline, Lommen Abdo; Kathleen Loucks, Lommen Abdo	Lori Boisclair, Boisclair Corp; Adam Seraphine, NHH Properties; Frank Jermusek, Sperry Van Ness; Mark Stenglein; Theresa Carr; Dean Dovolis, DJR Architects	Megan Sand Carr, Sand Development; Jamie J. Thelen, Sand Companies.
Project Name	Cedar Point Residential Living	Cedar Point Villas	Cedar Point II Housing	Cedar Shores	Cedar Point II	Cedar Point Apartments (tentative)
Housing Type(s)	Memory Care, Assisted Living, Twin Home; 20% of the MC/AL affordable	Market rate multi-family housing	Market Rate rental apartments and Assisted Living	Rental Apartments; 80% market-rate; 20% affordable.	Multi-family rental and for-sale townhomes; 20% affordable	Multi-family rental apartments; 80% market-rate; 20% affordable at 50% AMI
Unit Counts	60 Memory Care, 80 Assisted Living, 26 Twin Homes	274 market-rate apartments	178 market rate apartments; 120 assisted living units; 10% affordable.	294 apartment units; 20% affordable at 50% AMI (60 units)	Approx. 230 apartments and 25 townhomes; 20% of the units will be affordable at 50% AMI (92 units)	Approximately 208
Unit Counts by # of Bedrooms	0-2 Bedrooms for MC/AL; 2 BR Townhomes	86 Studio; 89 1-bedroom; 73 2-bedroom; 26 2-bedroom+Den	Market rate units: 16 3-bedroom; 42 2-bedroom; 40 1-bedroom + den; 64 1-bedroom; 16 studio. Assisted Living: 18 2-bedroom; 5 1-bedroom + den; 72 1-bedroom; 25 studio.	23 Studio; 100 1-bedroom; 28 1-bedroom +den; 116 2-bedroom; 27 3-bedroom.	34 studio; 28 1-bedroom; 34 1-bedroom + den; 28 2-bedroom, 1 bath; 74 2-bedroom, 2 bath; 32 3-bedroom, 2 bath.	42 1-bedroom; 26 1-bedroom + den; 72 2-bedroom; 34 2-bedroom + den; 34 3-bedroom.
Project Description	Filling an unmet need in Richfield for active adults, assisted living and memory care. Our proposal is for a 4-story building with underground parking, numerous amenities and common areas including but not limited to: strolling gardens, individual apartments for memory loss, walk-in showers, emergency pull-cords, common spaces, laundry, medication management, housekeeping, escorts, personal care packages, culinary chef-prepared meals, transportation, full line of activities, on-site services (i.e., banking), state of the art health monitoring systems.	Cedar Point Villas is a market rate multi-family development designed to meet the housing needs of young professionals, and those who prefer quality housing without the maintenance responsibility of a traditional single family house. Further, this development is designed to help mitigate the noise and activity from the adjacent Minneapolis/St. Paul airport and retail development through the staggered placement of the buildings. The four (4) smaller two story "brownstone" buildings along 16th Avenue blend seamlessly into the adjacent single family neighborhood. The larger three story buildings on 17th Avenue provide the neighborhood with a continuous buffer from retail and airport noise. This design leaves a large green space and pedestrian area that connects to the City and Regional-park and trail system. Amenities also include pool, club room, outdoor grills and gazebo.	The Cedar Point II housing proposal offers an excellent balance between an assisted living facility and upscale market rate apartments. The project's target markets are young professionals, empty nesters, young families, below market clientele, and seniors. Our proposed project is the only project that offers housing for each of the five market segments. Our site plan has been designed to utilize the unique conditions of the site, incorporate the City of Richfield development objectives, support environmentally sustainable efforts and ultimately balance the considerations of economics, the connection to nature, and the social interaction of the entire site and the immediate surroundings. We understand that people are the most important component of our projects; whether we consider those we work with, those who occupy the building and those in the community.	Cedar Shores is envisioned to be a multi-generational apartment complex. We are proposing to bring complementing modern design to the new Cedar Point Development. This development will emphasize smart, sustainable principals that will reduce energy and maintenance costs in the long run. The project will include an array of amenities including community gardens, outdoor gathering area, playground, walking plaza, roof top deck and undergorund parking. The proposed layout dedicates large areas to green space. The project is designed to appeal to a broad audience and attract a diverse community.	New constrution of a 230 unit, four story building. Hardie, EIFS Stucco, brick and/or stone exterior finishes. The site design is pedestrian friendly with ample green space amenities and landscaping throughout. Both apartment building endcaps return for additioanl exterior amenities adjacent to the open green spaces. The ingress and egress provide ease of access and connectivity for cars and bikes. Approximately 25 for-sale townhomes aligning 16th Avenue. Hardi, EIFS Stucco with brick finishes. Additional green space, tot-lot, art display or fountain located in the middle of the townhome development. This opening in the site provides direct access from the adjacent nighborhood to the commercial area to the west by walking or biking.	Cedar Point Apartments will be a multi-family community within two, 4-story buildings consisting of approximately 208 units. Community amenities may include outdoor recreation areas, picnic tables and grills, fitness room, community room, on-site manager's office, underground heated parking, storage lockers and controlled building access with cameras. Resident amenities will include cnetral heating/cooling, in-unit laundry, deck or patio, stainless steel appliances, granite countertops and walk-in closets. The exterior will be a combination of cement board siding and/or panels with decorative stone or veneer accents. The community site will have two full access entries which line-up with the neighboring housing and retail. To minimize impact to the neighboring single family homes, a berm with landscaping will buffer 16th Avenue South. Cedar Point Apartments will also be smoke-free.

Development Team	<u>Kristi Olson, Tushie Montgomery Architects, Weis Builders</u>	<u>Anderson Companies</u>	<u>Mesaba Capital</u>	<u>Cedar Shores Development Group</u>	<u>Boisclair Corporation</u>	<u>Sand Companies</u>
Estimated End Market Value	\$35.8 Million	\$38 to \$41 Million	\$55 Million	\$57.3 Million	\$35 Million	\$21.84 Million
# of Parking Stalls per unit	113 Total; 80 underground; 33 surface (Ratio .81 for MC/AL units)	411 total (1.5 parking stalls per unit); 274 underground; 137 surface	409 total; 208 underground; 201 surface.	392 total; 278 underground; 114 surface; (1.33 stalls per unit)	275 underground (1.2 per unit); 48 surface.	416 total; 208 underground; 208 surface.
Phasing of Construction	No	Yes. Anticipated to be built in 2 phases (see attached phasing exhibit)	Phase 1: Assisted Living facility and Market Rate Apartment 'A', complete Summer of 2017; Phase 2: Market Rate Apartment 'B', complete Fall 2018	Yes. The project will be built in 2 phases, each taking 18 months with no more than 1 year in between the phases.	Yes. Will be built in 2 phases; Phase I will be the largest apartment building and 31 townhomes; Phase II will be the second apartment building.	Yes, the project will be built in 2 phases. The second phase would begin within 3 to 6 months after the initial start of the first phase.
Target Market	Seniors requiring various levels of care; senior independent living for Twinhomes	Young professionals and those seeking professionally managed multi-family housing.	Young professionals, empty nesters, young families, below market clientele, and seniors.	Open to all ages. Plan to create a community that primarily caters to younger professionals but has the ambiance and amenities to attract residents of all ages and incomes.	Professional singles and couples without small children, mid 20's to mid-40's who work in Richfield or near-by communities, that are seeking an active lifestyle. Also empty-nesters who will appreciate the entertainment, dining, shopping amenities of Richfield.	Families and individuals, including seniors and business professionals. It is expected that many of the professionals working with the Edina/Bloomington/Richfield/Minneapolis communities and people wanting to live in the area but not wanting to own a home or looking to downsize.
Development Team Experience/Project References	Kristi Olson was the master developer and assembled 14 homes and 17 businesses as part of the Main Street Village project in Richfield.	Mr. Carlson was involved with the acquisition of single-family homes for the adjacent Target/Home Depot retail development. Mr. Schwanke was involved with the acquisition of single-family homes in St. Louis, Missouri for a Target anchored retail development.	Della Kolpin, member of the team that acquired 68 single family homes for Best Buy Corporate Campus; Lisa Diehl & Michelle Foster, 5 parcels assembled for Woodbury Lakes Lifestyle Center; 50 single family homes were assembled for a proposed retail center in suburban St. Louis Missouri.	Members of the team have assembled multiple parcel sites in Minneapolis, St. Anthony Village, St. Paul, and Brooklyn Park.	The Boisclair Corporation has extensive development and management experience in Market Rate, Luxury Housing, Affordable Housing - Section 8, Section 42, Section 236, Elderly and Disabled Housing.	Sand Companies is a licensed Minnesota real estate firm. We have two licensed brokers and three licensed real estate agents on staff. Sand has extensive experience in site assembly along with redevelopment. Sand has developed numerous projects involving acquisition and demolition of single-family homes.
Need for Tax Increment Financing	We anticipate a need for TIF for this project.	It is anticipated that tax increment financing will be necessary. A final determination will be made, however, once total project costs are identified and a detailed market analysis is completed.	Anticipate limited assistance for the assisted living component and gap-financing for the market-rate component.	Yes.	Yes. Establishment of a Housing TIF District.	Yes, we anticipate needing TIF for eligible costs related to acquisition, demolition, environmental remediation and any required public infrastructure.
Financing	Not answered.	It is anticipated that the project type proposed will have little trouble securing several proposals for both debt and equity capital sufficient to complete the project.	Our team comes ready to finance the entire project with no hurdles or issues. We have equity ready to deploy and established debt financing with four different twin city banks.	Weidner Investments will be the main backer for this project. They have acquired and financed \$375,000,000 worth of apartment buildings in the greater metro area since Fall 2013. We will be requiring tax increment financing for this project.	Pending.	Sand has very good relations with multiple lenders that would finance the project. Although the project is still in concept, we have had discussions with multiple lenders that have expressed a strong interest in financing this project. Financing options include private lenders with a construction/mini-perm loan along with potential for HUD financing through their 21(d)(4) program.

Development Team	<u>Kristi Olson, Tushie Montgomery Architects, Weis Builders</u>	<u>Anderson Companies</u>	<u>Mesaba Capital</u>	<u>Cedar Shores Development Group</u>	<u>Boisclair Corporation</u>	<u>Sand Companies</u>
Estimated Project Timeline	6 months for City approvals and financing; with a 12 month construction timeline following.	Community input and site assembly (Jun-Dec 2015); Environmental remediation and site demolition (Jan-Mar 2016); Phase I Construction (Apr 2016-Apr 2017); Phase II Construction (Jun 2017 - Jun 2018)	City Entitelements - Summer 2015; Purchase Homes - Fall 2015; Land Closing - Fall 2015; Site work - Fall 2015; Begin Construction - Spring 2016; Grand Opening Spring 2017	Estimate breaking ground on the first phase spring 2016. 18 months to complete, with 1 year in between. Second phase approximately 2019.	Not answered	Developer selection - June 2015; Purchase Agreements for single family homes - July 2015 to September 2015; Phase I construction start - May 2016; Phase II construction start - August 2016; Construction completion building 1 - July 2017; Construction completion building 2 - September 2017.
Potential Issues or Concerns	Purchasing the remaining single-family homes on the site; establishing a 25-year TIF District	Site assembly of remaining single family homes is our biggest concern. That is one of the reasons we have designed the project as multiple buildings. The project will likely still occur even in the unlikely event all homes in the development area are not secured.	None at this time.	None.	None stated.	Acquisition of single-family homes and market changes. However, Sand has enough development experience to foresee these and adjust the project to accommodate challenges.



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Special City Council Meeting Advisory Board/Commission Applicant Interviews

April 28, 2015

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 5:30 p.m. in the Babcock Room.

ROLL CALL

MEMBERS PRESENT: Debbie Goettel, Mayor; Pat Elliott, Michael Howard; Edwina Garcia; and Tom Fitzhenry.

INTERVIEW OF APPLICANTS

The City Council conducted interviews of the following applicants for appointment to City Advisory Boards and Commissions:

Swopril Shrestha
Kirsten Klosinski
JoAnn Boraas
Ryan Ridgley
Charles Rima

ADJOURNMENT

The meeting was adjourned by unanimous consent at 6:03 p.m.

Date Approved: May 12, 2015.

Debbie Goettel
Mayor

Cheryl Krumholz
Executive Coordinator

Steven L. Devich
City Manager



CITY COUNCIL MINUTES

Richfield, Minnesota

Special City Council Worksession

April 28, 2015

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 6:08 p.m. in the Bartholomew Room.

Council Members Present: Debbie Goettel, Mayor; Edwina Garcia; Pat Elliott; Michael Howard; and Tom Fitzhenry.

Staff Present: Steven L. Devich, City Manager; Mike Eastling, Public Works Director; John Stark, Community Development Director; Pam Dmytrenko, Assistant City Manager/HR Manager; Chris Link, Operations Superintendent; and Cheryl Krumholz, Executive Coordinator.

Item # 1	DISCUSSION REGARDING RENAMING 77TH STREET (COUNCIL MEMO NO. 29)
-----------------	---

City Manager Devich stated that in response to the City Council's interest in renaming 77th Street and seeking community feedback on possible names, a civic engagement process was initiated in January 2015.

Assistant City Manager/HR Manager Dmytrenko explained the engagement process.

Mayor Goettel requested discussions with Edina and the Metropolitan Airports Commission continue regarding the renaming of 77th Street.

Council Member Fitzhenry suggested International Boulevard because with the change of the 77th Street Corridor to include an Audi dealership, the link to the airport, and the proposed 77th Street Underpass, this name could assist in marketing the corridor.

Community Development Stark provided an update on the Chamber of Commerce interest in the renaming which is now more supportive.

Operations Superintendent Link explained the implementation of new signs, including size consideration and the requirement of Hennepin County and MnDOT approvals for signage on the signals.

The City Council consensus was to proceed with the renaming to International Boulevard and continue discussions with the Edina and the airport.

Item #2	DISCUSSION REGARDING CONVEYING CITY PROPERTIES TO THE HOUSING AND REDEVELOPMENT AUTHORITY (COUNCIL MEMO NO. 28)
----------------	--

Community Development Director Stark explained State Statutes have established a more streamlined process for HRAs to act in purchasing and selling of properties for redevelopment purposes. Staff's recommends that City-owned parcels intended for redevelopment be conveyed to the HRA.

Mayor Goettel stated this process does not remove the City Council's rights to vote on proposed projects.

The City Council consensus was to move forward with the conveyance of City properties to the HRA.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 6:58 p.m.

Date Approved: May 12, 2015

Debbie Goettel
Mayor

Cheryl Krumholz
Executive Coordinator

Steven L. Devich
City Manager



CITY COUNCIL MEETING MINUTES Richfield, Minnesota

Regular Meeting

April 28, 2015

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 7:00 p.m. in the Council Chambers.

Council Members Present: Debbie Goettel, Mayor; Michael Howard; Pat Elliott; Edwina Garcia; and Tom Fitzhenry.

Staff Present: Steven L. Devich, City Manager; John Stark, Community Development Director; Mike Eastling, Public Works Director; Jay Henthorne, Public Safety Director/Police Chief; Jim Topitzhofer, Recreation Services Director; Pam Dmytrenko, Assistant City Manager/HR Manager; Mary Tietjen, City Attorney; and Cheryl Krumholz, Executive Coordinator.

OPEN FORUM

Sara Gumke, 7145-11th Avenue, Human Rights Commission member, announced the Human Trafficking forum on May 16, 2015.

PLEDGE OF ALLEGIANCE

Mayor Goettel led the audience in the Pledge of Allegiance.

APPROVAL OF MINUTES

M/Garcia; S/Fitzhenry to approve the minutes of the (1) Special Concurrent City Council and HRA Worksession of April 14, 2015 and (2) Regular City Council Meeting of April 14, 2015.

Motion carried 5-0.

Item #1	PRESENTATION BY RICHFIELD PUBLIC SCHOOLS SUPERINTENDENT STEVEN UNOWSKY
---------	---

Superintendent Unowsky provided a Richfield Public Schools strategic planning update.

Item #2	RECOGNITION OF THE RETIREMENT OF RICHFIELD PUBLIC WORKS DIRECTOR MIKE EASTLING
---------	---

The City Council acknowledged Mr. Eastling's years of service to the City of Richfield.

Item #3	<p>COUNCIL DISCUSSION</p> <ul style="list-style-type: none"> • Fourth of July parade participation • Hats Off to Hometown Hits
----------------	---

Council Member Garcia acknowledged the recent death of Gertrude Ulrich, a long-time Richfield resident.

The City Council consensus was to participate in the 2015 Richfield Fourth of July parade.

Recreation Services Director Topitzhofer announced the Memorial Day events at Veterans Memorial Park on May 25, 2015.

Mayor Goettel discussed City ordinance revisions being considered for Richfield to become a bee-friendly community.

Item #4	COUNCIL APPROVAL OF AGENDA
----------------	-----------------------------------

M/Fitzhenry, S/Garcia to approve the agenda.

Motion carried 5-0.

Item #5	CONSENT CALENDAR
----------------	-------------------------

- A. Consideration of the approval of the setting of a public hearing to be held on May 26, 2015 for the consideration of the issuance of new On Sale Intoxicating Liquor and Sunday licenses for Thompson's Fireside Pizza, Inc., d/b/a Fireside Pizza, located at 6736 Penn Avenue South S.R. No. 59
- B. Consideration of the approval of accepting the quotation of \$74,000 to replace play equipment at Garfield Park from Midwest Playscapes and authorize he Recreation Services Director to execute the quotation S.R. No. 60
- C. Consideration of the approval of the resolutions to adjust the City's Municipal State Aid Street (MSAS) network S.R. No. 61

RESOLUTION NO. 11071

RESOLUTION REVOKING MUNICIPAL STATE AID DESIGNATION
FROM CERTAIN CITY STREETS

This resolution appears as Resolution No. 11071.

RESOLUTION NO. 11072

RESOLUTION FOR MUNICIPAL STATE AID DESIGNATION
OF CERTAIN CITY STREETS

This resolution appears as Resolution No. 11072.

- D. Consideration of the approval of a resolution authorizing the acceptance of the Statewide Health Improvement Program reimbursement grant in the amount of \$1,500 for the purchase of a traffic count video camera S.R. No. 62

RESOLUTION NO. 11073

RESOLUTION AUTHORIZING THE CITY OF RICHFIELD TO ACCEPT A STATEWIDE HEALTH IMPROVEMENT PROGRAM REIMBURSEMENT GRANT FOR \$1,500 TO BE APPLIED TO THE PURCHASE OF A TRAFFIC COUNT VIDEO CAMERA

This resolution appears as Resolution No. 11073.

M/Goettel, S/Elliott to approve the Consent Calendar.

Motion carried 5-0.

Item #6	CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM THE CONSENT CALENDAR
----------------	--

None.

Item #7	CONSIDERATION OF REQUESTS FOR A RESOLUTION FOR A COMPREHENSIVE PLAN AMENDMENT, SECOND READING FOR AN ORDINANCE REGARDING REZONING AND A RESOLUTION FOR A FINAL DEVELOPMENT PLAN/CONDITIONAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT THAT WOULD ALLOW CONSTRUCTION OF A NEW AUDI CAR DEALERSHIP ALONG INTERSTATE 494 S.R. NO. 63
----------------	--

Council Member Elliott presented Staff Report No. 63.

Community Development Director Stark discussed the tax revenue projections.

Mayor Goettel requested the developers to be mindful of lighting for the neighborhood.

Council Member Elliott stated this project creates a brand that is wanted in the 77th Street Corridor.

M/Elliott, S/Goettel that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 11074

RESOLUTION AMENDING THE CITY’S COMPREHENSIVE PLAN CHANGING THE DESIGNATION OF 1400, 1420 AND 1500 – 78TH STREET EAST AND 7711 – 14TH AVENUE TO “REGIONAL COMMERCIAL”

Motion carried 5-0. This resolution appears as Resolution No. 11074.

M/Elliott, S/Howard that this constitutes the second reading of Bill No. 2015-6, amending Appendix I to the Richfield City Code by rezoning 1400, 1420, and 1500 78th Street East and 7711 – 14th Avenue from Mixed Use – Community (MU-C) to Planned Mixed Use (PMU), that it be published in the official newspaper, and that it be made part of these minutes.

Motion carried 5-0.

M/Elliott, S/Fitzhenry that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 11075

RESOLUTION APPROVING A FINAL DEVELOPMENT PLAN AND CONDITIONAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT AT 1400 – 78TH STREET EAST, 1420 – 78TH STREET EAST, 1500 – 78TH STREET EAST AND 7711 – 14TH AVENUE

Motion carried 5-0. This resolution appears as Resolution No. 11075.

Ralph Mauro, International Autos Group, thanks the City Council for their support.

<p>Item #8</p>	<p>CONSIDERATION OF THE SECOND READING OF AN ORDINANCE AMENDING THE CITY CODE AND A RESOLUTION FOR AN AMENDMENT TO A CONDITIONAL USE PERMIT FOR RICHFIELD HIGH SCHOOL. THE PROPOSED CODE AMENDMENT WOULD CONDITIONALLY PERMIT SCHOOL-BASED HEALTH CENTERS AS ACCESSORY USES WITHIN OPERATING SCHOOLS. A SCHOOL-BASED HEALTH CENTER IS PROPOSED FOR RICHFIELD HIGH SCHOOL; APPROVAL OF AN AMENDMENT FOR THE EXISTING CONDITIONAL USE PERMIT IS REQUIRED. S.R. NO. 64</p>
-----------------------	--

Council Member Howard presented Staff Report No. 64.

M/Howard, S/Goettel that this constitutes the second reading of Bill No. 2015-7, amending the Richfield City Code to allow accessory school-based health centers as a conditional use, that it be published in the official newspaper, and that it be made part of these minutes.

Motion carried 5-0.

M/Howard, S/Fitzhenry that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 11076

RESOLUTION APPROVING SUMMARY PUBLICATION OF AN ORDINANCE ALLOWING SCHOOL-BASED HEALTH CENTERS AS A CONDITIONAL USE

Motion carried 5-0. This resolution appears as Resolution No. 11076.

M/Howard, S/Elliott that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 11077

RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR AN ACCESSORY SCHOOL-BASED HEALTH CENTER AT 7001 HARRIET AVENUE (RICHFIELD HIGH SCHOOL)

Motion carried 5-0. This resolution appears as Resolution No. 11077.

Item #9	CONSIDERATION OF THE RESOLUTION APPROVING THE CONTRACT WITH THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS LOCAL 1215 FOR THE CONTRACT PERIOD JANUARY 1, 2105 THROUGH DECEMBER 31, 2015 S.R. NO. 65
----------------	---

Council Member Fitzhenry presented Staff Repot No. 65.

M/Fitzhenry, S/Elliott that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 11078

RESOLUTION APPROVING LABOR AGREEMENT BETWEEN THE CITY OF RICHFIELD AND THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (IAFF), LOCAL 1215 BARGAINING UNIT FOR THE YEAR 2015

Motion carried 5-0. This resolution appears as Resolution No. 11078.

Item #10	CONSIDERATION OF THE APPOINTMENTS TO CITY ADVISORY COMMISSIONS S.R. NO. 66
-----------------	---

M/Howard, S/Goettel to appoint the following persons to the City advisory commissions:

ADVISORY BOARD OF HEALTH

<u>Name</u>	<u>Term Expires</u>
Ryan Ridgley	January 31, 2018

COMMUNITY SERVICES COMMISSION

<u>Name</u>	<u>Term Expires</u>
Charles Rima	January 31, 2018

FRIENDSHIP CITY COMMISSION

<u>Name</u>	<u>Term Expires</u>
JoAnn Boraas	January 31, 2017

HUMAN RIGHTS COMMISSION

<u>Name</u>	<u>Term Expires</u>
Kirsten Klosinski	January 31, 2018
Swopnil Shrestha (youth)	August 28, 2015

Motion carried 5-0.

Item #11	CITY MANAGER’S REPORT
-----------------	------------------------------

City Manager Devich provided an update on the legislation related to the Cedar Avenue TIF District.

Mr. Devich reported that the Comcast/Time Warner/Charter cable franchise transactions had terminated.

Item #12	CLAIMS AND PAYROLLS
-----------------	----------------------------

M/Fitzhenry, S/Howard that the following claims and payrolls be approved:

U.S. Bank	04/28/15
A/P Checks: 240027-240358	\$ 946,331.63
Payroll: 109609-109932, 42429-42430	\$ 624,715.82
TOTAL	\$ 1,571,047.45

Motion carried 5-0.

OPEN FORUM

None.

ADJOURNMENT

The City Council Meeting was adjourned by unanimous consent at 8:25 p.m.

Date Approved: May 12, 2015

Debbie Goettel
Mayor

Cheryl Krumholz
Executive Coordinator

Steven L. Devich
City Manager

CITY OF RICHFIELD, MINNESOTA
Office of City Manager

May 7, 2015

Council Memorandum No. 32

The Honorable Mayor
and
Members of the City Council

Subject: Miss Richfield Ambassador Recognition
(Council Agenda Item No. 1)

Council Members:

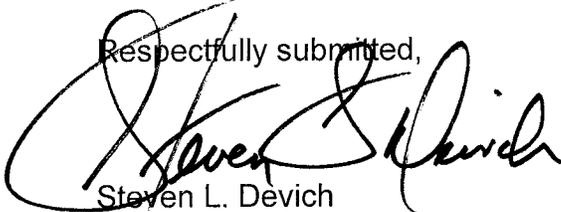
Ashley Gibbs, Richfield Ambassador Committee Chair, has reported that there has been an unfortunate turn of events in the last couple of weeks for the program. Due to lack of interest, the committee has decided not to hold a candidate program this year. This has happened several times in the last 15 years, and the decision was not made lightly. Certificates of Appreciation will be presented to the current ambassadors at the May 12, 2015 City Council meeting.

The attached biographies were provided by the Richfield Ambassador Committee.

There will be an ambassador sendoff (in lieu of coronation) for the current ambassadors on July 2. There will be a reception at the Richfield Ice Arena at 7 p.m. and the ambassadors will take the stage at Family Night in Veterans Park for their sendoff presentation at 8 p.m.

The committee thanks you for your support and understanding during this difficult transition.

Respectfully submitted,



Steven L. Devich
City Manager

SLD:tjs

Attachment

E-mail: Department Directors
Assistant to the City Manager

2014-2015 Richfield Ambassadors

Nicola Beilman is the daughter of Greg and Desiree Beilman. She is a senior this year at Richfield High School. Throughout high school, she has been involved in swimming, choir, theater, and student government. Nicola plans to attend the University of Minnesota next year and wants to major in neuroscience and minor in Spanish. One day she hopes to become fluent in Spanish. Her dream is to travel the world to learn from and help others.

Ibelizet Dominguez is the daughter of Mayra Benitez and Pedro Dominguez. She is currently a senior at Richfield High School. While in high school, Ibelizet has participated in tennis, Latinas Unidas, Me to We, and the Octagon Club. Next year, she plans to attend Mankato State University where she will major in psychology and minor in Latin American studies. After college, Ibelizet plans to join the Peace Corps where she will continue her passion of volunteerism.

Abby Knipp is the daughter of Stacie Mahowald and Curtis Knipp. She is a senior at Richfield High School. She was captain of her high school dance team and she is going to continue her dancing next fall. She will be attending the University of Illinois at Urbana Champaign. She hopes to study environmental sciences focusing on sustainability.



STAFF REPORT NO. 67
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:

Mike Dobesh, Assistant Fire Chief

DEPARTMENT DIRECTOR REVIEW:

Wayne Kewitsch, Fire Services Director/Fire Chief
5/5/2015

OTHER DEPARTMENT REVIEW:

N/A

CITY MANAGER REVIEW:

Steven L. Devich
5/5/2015**ITEM FOR COUNCIL CONSIDERATION:**

Presentation and consideration of a resolution authorizing acceptance of a grant received by the Richfield Fire Department from the Firehouse Subs Public Safety Foundation and to authorize receipt of the training equipment to be utilized by the Fire Department.

EXECUTIVE SUMMARY:

The Richfield Fire Department applied for and was awarded a training equipment grant from the Firehouse Subs Public Safety Foundation. This equipment will be used by the fire department to do non-destructive training using simulated fire and simulated smoke. All donations received by the City require acceptance via a resolution acted upon by the City Council.

RECOMMENDED ACTION:

By Motion: Approve a resolution authorizing acceptance of a grant to the Fire Department from the Firehouse Subs Public Safety Foundation and authorize the use of the equipment to the Fire Department.

BASIS OF RECOMMENDATION:**A. HISTORICAL CONTEXT**

The Fire Department submitted the grant proposal in December of 2014 and was awarded approximately \$27,000.00 worth of equipment to be used for non-destructive training. The equipment is the Bullex, ATTACK DIGITAL FIRE TRAINING SYSTEM and includes two LED screens, a smoke generator, digital nozzle, and a system control device.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- City policy requires that all grants to the City to be accepted by a Council resolution.
- Minnesota Statute §465.03 requires that the resolution receive at least a two-thirds majority.

C. CRITICAL TIMING ISSUES:

There are no critical timing issues.

D. FINANCIAL IMPACT:

The department will benefit from the approximately \$27,000.00 worth of equipment. The Firehouse Subs Public Safety Foundation purchased the equipment directly from Bullex and the equipment was shipped to the Fire Department.

E. LEGAL CONSIDERATION:

Minnesota Statute § 465.03 requires that every acceptance of a grant or devise of real or personal property by Council resolution passed by at least a two-thirds majority.

ALTERNATIVE RECOMMENDATION(S):

None

PRINCIPAL PARTIES EXPECTED AT MEETING:

Chief Wayne Kewitsch, representatives from Firehouse Subs, and Bullex will be present for the presentation.

ATTACHMENTS:

Description	Type
📎 Resolution	Resolution Letter

RESOLUTION NO.

**RESOLUTION AUTHORIZING ACCEPTANCE OF A GRANT RECEIVED BY THE
CITY OF RICHFIELD FIRE DEPARTMENT FROM O'REILLY AUTO PARTS**

WHEREAS, the Fire Department, through its Chief, received an equipment donation for the Richfield Fire Department; and,

WHEREAS, the Firehouse Subs Public Safety Foundation has a charitable donation program in which funds and equipment are donated to public safety agencies; and,

WHEREAS, Minnesota Statute requires every acceptance of a grant or devise of real or personal property on terms prescribed by the donor be made by resolution of more than two-thirds majority of the City Council; and,

WHEREAS, the donated equipment will be used by the Richfield Fire Department.

NOW, THEREFORE, BE IT RESOLVED that the Fire Chief will accept the donation of the Bullex ATTACK DIGITAL FIRE TRAINING SYSTEM from the Firehouse Subs Public Safety Foundation and the local Firehouse Subs Franchisee for use by the Richfield Fire Department.

Adopted by the City Council of the City of Richfield, Minnesota this 12th day of May, 2015.

Debbie Goettel, Mayor

ATTEST:

Beth VanHoose, City Clerk



STAFF REPORT NO. 68
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:

William Fillmore, Liquor Operations Director

DEPARTMENT DIRECTOR REVIEW:

William Fillmore, Liquor Operations Director

4/20/2015

OTHER DEPARTMENT REVIEW:

Sally Morton, Information Technology Manager

CITY MANAGER REVIEW:

Steven L. Devich

5/5/2015

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of the purchase of a point of sale and inventory tracking system from Retail Information Technology Enterprises (RITE) for a one-time sum of \$53,236.76 and a first year estimated annual maintenance cost of \$9,322.71 for the four municipal liquor stores.

EXECUTIVE SUMMARY:

The current point of sale system for the four municipal liquor stores is out of date and is no longer supported by the software manufacturer. The current system does not currently employ some of the standards necessary to be considered P.C.I. (Payment Card Industry) compliant. The last point of sale system software upgrade was in 2006. Since then, the Richfield Information Technology division has maintained and written programs to keep the system operating, along with the vendor who supplied the original software in 2006. Since support services are no longer available, the system must be replaced. Invitations to submit proposals were sent to five local retail point of sale vendors and four submitted proposals. Retail Information Technology Enterprises (RITE) submitted a competitive proposal and is currently the software and maintenance provider for several municipal beverage outlets with multiple stores and equivalent size of operations as Richfield.

RECOMMENDED ACTION:

By Motion: Approve the purchase of a point of sale and inventory tracking system from Retail Information Technology Enterprises (RITE) for a one-time sum of \$53,236.76 and a first year estimated annual maintenance cost of \$9,322.71.

BASIS OF RECOMMENDATION:**A. HISTORICAL CONTEXT**

- The current retail point of sale system is outdated.
- There is no support available from the software manufacturer.
- The current credit/debit processing system is not fully P.C.I. compliant.
- Several other municipal beverage dispensaries, similar in volume and chain size, are pleased with the performance of the RITE system.
- The proposed upgrade will streamline receiving and inventory and employ more strict credit/debit transaction safeguards.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- The city's Information Technology Division, Finance Division and Liquor Operations prepared specifications for a desired system and invited five qualified software vendors to submit proposals on February 27, 2015 and four submitted proposals.
- Staff invited two of the vendors to present demonstrations of their proposed software and equipment.

- The solution proposed by RITE is a Microsoft point-of-sale product enhanced for retail liquor operations with custom add-ons developed by RITE. Microsoft is currently developing a replacement point-of-sale system and RITE will be adapting their customizations to the new software. Both Microsoft and RITE have announced low or no cost trade-in policies for current customers to move to the new solutions and staff expects to make that transition in 3-6 years.
- The RITE proposal is recommended because they are a competent vendor and service provider, their system meets all requirements, and their ongoing costs for credit/debit card processing are the most favorable.

C. **CRITICAL TIMING ISSUES:**

- Implementation of a new retail point of sale system applied to four stores may take several months and Council action on April 28, 2015 would ensure a timely installation for the upcoming high customer traffic season.
- Changes in credit/debit transactions coming in September are imminent and a system upgrade prior to that deadline would ensure compliant transactions.

D. **FINANCIAL IMPACT:**

- The software, equipment, installation and data conversion cost of the system is \$53,236.76 and the estimated first year annual maintenance and support cost is \$9,322.71.
- This item will be included in the 2015 Revised Annual Budget.

E. **LEGAL CONSIDERATION:**

NA

ALTERNATIVE RECOMMENDATION(S):

None

PRINCIPAL PARTIES EXPECTED AT MEETING:

NA



STAFF REPORT NO. 69
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:	Jay Henthorne, Director of Public Safety/Chief of Police
DEPARTMENT DIRECTOR REVIEW:	Jay Henthorne, Public Safety Director 5/1/2015
OTHER DEPARTMENT REVIEW:	N/A
CITY MANAGER REVIEW:	Steven L. Devich 5/5/2015

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing acceptance of Office of Traffic Safety (OTS) funds for a four-year grant to fully fund an officer and fully equipped squad car dedicated for DWI enforcement in Richfield.

EXECUTIVE SUMMARY:

The National Highway Traffic Safety Administration (NHTSA) is providing federal funding to the OTS to implement a program to support eight full time officers and equipment needed to enforce traffic laws, including squad cars to be used solely for DWI enforcement. Eight counties, including Hennepin, were chosen to receive grant funding. The grant is administered through the OTS. The grant will be guaranteed for four years but will be written for one federal fiscal year at a time. The City of Richfield has been awarded \$171,750 for 2015.

RECOMMENDED ACTION:

By Motion: Approve the resolution allowing the Richfield Department of Public Safety to accept grant monies from the Office of Traffic Safety (OTS) for a four- year grant to fully fund an officer and fully equipped squad car dedicated for DWI enforcement in Richfield.

BASIS OF RECOMMENDATION:**A. HISTORICAL CONTEXT**

- In 2013, it was estimated that by the National Safety Council that the cost of alcohol-related crashes in Minnesota was \$235 million. In that same year, 20 percent of those involved in alcohol related crashes were seriously injured and another 30 percent were killed.
- The average number of DWI arrests per year in Richfield is 124. The goal is to increase that to 175 DWI arrests per year.
- In 2014, Richfield had 18 DWI crashes. The goal is to bring that number down to 16 in 2015.
- Minnesota Motor Vehicle Crash Facts data show that the hours between 5:00 p.m. and 5:00 a.m. as having the highest concentration of alcohol related crashes. The DWI officer's work shift will be from 5:00 p.m. to 5:00 a.m. with a minimum of two Fridays and two Saturdays per month to be a required part of the DWI officer's schedule.
- Statistics will be checked daily, including but not limited to: speed tickets, seat belt tickets, texting tickets, "Not a Drop" tickets and warnings associated with these statistics.
- Proactive criminal interdiction patrol would also be implemented.
- The City of Richfield has been approved to receive \$171,750 from the DWI Officer grant for 2015.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

Public Safety does not accept financial support unless it is designated for a specific program that will affect the department as a whole.

- The grant money will be used by Public Safety to pay for: one full-time police officer salary (including overtime and/or training), one outfitted squad car (minus computer, radar and weapons), and one PBT and Speed Laser.
- Minnesota Statute 465.03 requires that every acceptance of a grant or devise of real or personal property on terms prescribed by the donor be made by resolution of more than two-thirds majority of the City Council.
- The Administrative Services Department issued a memo on November 9, 2004, requiring that all grants and restricted donations to departments be received by resolution and by more than two-thirds majority of the City Council in accordance with Minnesota Statute 465.03.

C. CRITICAL TIMING ISSUES:

- The total length of the grant is expected to be for four years, however, grants will be written for one federal fiscal year at a time.

D. FINANCIAL IMPACT:

- Federal guidelines require this money be spent on projects designed to reduce DWI incidents. Both the officer and majority of the equipment funded by the grant can only be used for the enforcement of laws prohibiting driving while impaired. If the DWI officer responds to, or is called to an incident for something other than an alcohol-related driving offense, the time spent on non-DWI related enforcement exceeding 15 successive minutes must be paid for by the agency. The vehicle will be assigned to and driven solely by the DWI officer.
- The Richfield Department of Public Safety has developed a work plan and budget that have been approved by the OTS.
- The grant will cover one full-time sworn officer, fringe benefits and a squad car with the necessary equipment to enforce traffic laws. Squad operating costs per mile, maintenance, uniforms and weapons are not covered by the grant. The Richfield Department of Public Safety has funds budgeted for items not covered by the grant.

E. LEGAL CONSIDERATION:

- There are no legal considerations.

ALTERNATIVE RECOMMENDATION(S):

- Council could disapprove the acceptance of the grant monies but the Richfield Department of Public Safety would then not be able to dedicate an officer and fully equipped squad car to DWI enforcement.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
051215 2015 DWI Officer Grant Resolution	Cover Memo

RESOLUTION NO.

RESOLUTION AUTHORIZING THE DEPARTMENT OF PUBLIC SAFETY/POLICE TO ACCEPT GRANT MONIES FROM THE OFFICE OF TRANSPORTATION SAFETY IN THE AMOUNT OF \$171,750 OR A LESSER AMOUNT, AS AWARDED BY THE DEPARTMENT OF PUBLIC SAFETY, TO FUND A POLICE OFFICER AND FULLY EQUIPPED SQUAD DEDICATED TO DWI ENFORCMENT FOR FOUR YEARS.

WHEREAS, Richfield Police Department has been approved by the Office of Transportation Safety (OTS) to receive funds made available to eight Counties in the State of Minnesota through federal funding provided by the National Highway Traffic Safety Administration (NHTSA); and

WHEREAS, Richfield is scheduled to be awarded \$171,750 or a lesser amount as awarded by the Minnesota Department of Public Safety to be used as designated by the grant agreement which mandates that the funds be used to support one full time officer, a squad car and the equipment dedicated to DWI enforcement for a term of four years; and,

WHEREAS, Richfield has agreed that the Minnesota Department of Public Safety will serve as the fiscal agent; and,

WHEREAS, in accordance with the agreement, squad operating costs per mile, maintenance, uniforms, weapons and time spent in excess of 15 minutes on non-DWI related calls will be covered by the Richfield Police Department; and,

WHEREAS, Richfield Police has established an approved budget with the OTS for \$171,750 or a lesser amount for the DWI enforcement program; and,

NOW, THEREFORE, BE IT RESOLVED that the City of Richfield, Public Safety Department enter into a grant agreement with the Minnesota Department of Public Safety, for traffic safety enforcement projects during the period from July 1, 2015 to June 30, 2019.

Adopted by the City Council of the City of Richfield, Minnesota this 12th day of May, 2015.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk



STAFF REPORT NO. 70
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:

Myrt Link, Community Development Accountant

DEPARTMENT DIRECTOR REVIEW:

John Stark, Community Development Director

5/6/2015

OTHER DEPARTMENT REVIEW:

N/A

CITY MANAGER REVIEW:

Steven L. Devich

5/7/2015

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing the Richfield Housing and Redevelopment Authority to reduce the original tax capacity of the Gramercy Park Cooperative Tax Increment District due to Homestead Market Value Exclusion.

EXECUTIVE SUMMARY:

In 2011 the Legislature adopted the Homestead Market Value Exclusion, which revised the tax calculation for homestead property, and as a result, reduced the taxes that homestead properties pay. This also reduced the tax increment generated by homestead properties. In 2013 the Legislature adopted a "fix" which would allow cities an option to reduce the base in the tax increment district and lessen the impact on districts that contained owner occupied housing, therefore resulting in increased tax increment.

In order to allow the Housing and Redevelopment Authority (HRA) to reduce the original tax capacity, the City Council is required to pass a resolution authorizing them to do so.

If the City authorizes the reduction, it will result in an estimated increase of increment in the amount of \$22,561 for the HRA to use for administration and qualified redevelopment activities and an estimated increase of \$195,971 to the Note holder for payment of the Pay-As-You-Go Note.

Future increases in increment will depend on actual market values and tax rates, which change annually.

RECOMMENDED ACTION:

By Motion: Approve a resolution authorizing the Richfield Housing and Redevelopment Authority to reduce the original tax capacity of the Gramercy Park Cooperative Tax Increment District due to Homestead Market Value Exclusion.

BASIS OF RECOMMENDATION:**A. HISTORICAL CONTEXT**

- The Gramercy Park Cooperative Tax Increment District was established in 1998. Under current projections, it is not anticipated that the principal and interest on the Pay-As-You-Go Note will be paid in full at the time of decertification in 2025.
- As a result of Legislative action in 2011, homestead properties pay less taxes, which in turn reduces the tax increment generated by these properties.
- The receipt of less increment than was anticipated, resulted in less money available for administration and debt service payments.
- In 2013 the Legislature adopted a "fix" which allows cities to reduce the base tax in an amount proportionate to the market value homestead reduction, which will generate more increment.
- Under Pay 2015 values, if the resolution is adopted, the gross tax increment is estimated to increase by \$218,532. Future increases will depend on actual market values and tax rates, which change annually.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

The HRA may elect to reduce the original tax capacity of the Gramercy Park Cooperative Tax Increment District only upon approval of the City Council by resolution.

C. CRITICAL TIMING ISSUES:

The HRA must notify the Hennepin County auditor prior to July 1, 2015 of the election to reduce the original tax capacity for it to be effective for taxes payable beginning in 2016.

D. FINANCIAL IMPACT:

Approval to reduce the original tax capacity of the Gramercy Park Cooperative Tax Increment District would result in more increment for both the HRA and the Developer's Pay-As-You-Go-Note payment.

The impact to all taxing jurisdictions is minimal and brings the amount of tax increment generated more aligned with the amounts anticipated when the district was established.

E. LEGAL CONSIDERATION:

The resolution was drafted by HRA legal counsel.

ALTERNATIVE RECOMMENDATION(S):

Do not authorize the HRA to reduce the original tax capacity for the Gramercy Park Cooperative Tax Increment District.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
 Resolution	Resolution Letter

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE RICHFIELD HOUSING AND REDEVELOPMENT AUTHORITY TO ELECT TO REDUCE ORIGINAL TAX CAPACITY OF GRAMERCY PARK COOPERATIVE TAX INCREMENT DISTRICT DUE TO HOMESTEAD MARKET VALUE EXCLUSION

WHEREAS, the Housing and Redevelopment Authority in and for the City of Richfield (the “HRA”) established and operates the Gramercy Park Cooperative Tax Increment District (the “TIF District”); and

WHEREAS, previous changes to state tax law regarding the homestead market value exclusion has adversely affected tax receipts in the TIF District; and

WHEREAS, the 2013 Minnesota legislature amended Minnesota Statutes, section 469.177 by adding subd. 1d which permits a redevelopment authority to elect to reduce the original net tax capacity of a qualified district by the amount of the tax capacity attributable to the market value exclusion under Minnesota Statutes, section 273.13, subd. 35; and

WHEREAS, the TIF District meets the definition of a qualifying district within the meaning of Minnesota Statutes, section 469.177, subd. 1d; and

WHEREAS, the HRA may make such election only upon approval of the City Council by resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richfield as follows:

1. The HRA is authorized to elect to reduce the original tax capacity of the Gramercy Park Cooperative Tax Increment District by the amount of the tax capacity attributable to the market value exclusion under Minnesota Statutes, section 273.13, subd. 35, but not below zero;
2. The HRA is authorized to notify the Hennepin County auditor of its election prior to July 1, 2015 in order for such election to be effective for taxes payable beginning in 2016; and
3. City and HRA staff and consultants are authorized and directed to take any and all such other actions as may be necessary or convenient to carry out the intent of this resolution.

Adopted by the City Council of the City of Richfield, Minnesota this 12th day of May, 2015.

Debbie Goettel, Mayor

ATTEST:

Elizabeth VanHoose, City Clerk



STAFF REPORT NO. 71
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:

Myrt Link, Community Development Accountant

DEPARTMENT DIRECTOR REVIEW:

John Stark, Community Development Director

5/6/2015

OTHER DEPARTMENT REVIEW:

N/A

CITY MANAGER REVIEW:

Steven L. Devich

5/7/2015

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing the Richfield Housing and Redevelopment Authority to reduce the original tax capacity of the Lyndale Gateway, LLC Tax Increment District due to Homestead Market Value Exclusion.

EXECUTIVE SUMMARY:

In 2011 the Legislature adopted the Homestead Market Value Exclusion, which revised the tax calculation for homestead property, and as a result, reduced the taxes that homestead properties pay. This also reduced the tax increment generated by homestead properties. In 2013 the Legislature adopted a "fix" which would allow cities an option to reduce the base in the tax increment district and lessen the impact on districts that contained owner occupied housing, therefore resulting in increased tax increment.

In order to allow the Housing and Redevelopment Authority (HRA) to reduce the original tax capacity, the City Council is required to pass a resolution authorizing them to do so.

If the City authorizes the reduction, it will result in an estimated increase of increment in the amount of \$40,511 for the HRA to use for administration and qualified redevelopment activities and an estimated increase of \$351,887 to use for debt service for the Taxable GO Tax Increment Refunding Bonds, Series 2012B or repayment of the HRA's Interfund Loan.

Future increases in increment will depend on actual market values and tax rates, which change annually.

RECOMMENDED ACTION:

By Motion: Approve a resolution authorizing the Richfield Housing and Redevelopment Authority to reduce the original tax capacity of the Lyndale Gateway, LLC Tax Increment District due to Homestead Market Value Exclusion.

BASIS OF RECOMMENDATION:**A. HISTORICAL CONTEXT**

- The Lyndale Gateway, LLC Tax Increment District was established in 2002 and is required to be decertified in 2029.
- As a result of Legislative action in 2011, homestead properties pay less taxes, which in turn reduces the tax increment generated by these properties.
- The receipt of less increment than was anticipated resulted in less money available for administration and debt service payments.
- In 2013 the Legislature adopted a "fix" which allows cities to reduce the base tax in an amount proportionate to the market value homestead reduction, which will generate more increment.
- Under Pay 2015 values, if the resolution is adopted, the gross tax increment is estimated to increase by \$392,398. Future increases will depend on actual market values and tax rates, which change annually.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

The HRA may elect to reduce the original tax capacity of the Lyndale Gateway, LLC Tax Increment District only upon approval of the City Council by resolution.

C. CRITICAL TIMING ISSUES:

The HRA must notify the Hennepin County auditor prior to July 1, 2015 of the election to reduce the original tax capacity for it to be effective for taxes payable beginning in 2015.

D. FINANCIAL IMPACT:

Approval to reduce the original tax capacity of the Lyndale Gateway, LLC Tax Increment District would result in more increment for HRA administration and debt service for the Taxable GO Tax Increment Refunding Bonds, Series 2012B or repayment of the HRA's Interfund Loan.

The impact to all taxing jurisdictions is minimal and brings the amount of tax increment generated more aligned with the amounts anticipated when the district was established.

E. LEGAL CONSIDERATION:

The resolution was drafted by HRA legal counsel.

ALTERNATIVE RECOMMENDATION(S):

Do not authorize the HRA to reduce the original Tax capacity for the Lyndale Gateway, LLC Tax Increment District.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
☐ Resolution	Resolution Letter

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE RICHFIELD HOUSING AND REDEVELOPMENT AUTHORITY TO ELECT TO REDUCE ORIGINAL TAX CAPACITY OF LYNDALE GATEWAY, LLC TAX INCREMENT DISTRICT DUE TO HOMESTEAD MARKET VALUE EXCLUSION

WHEREAS, the Housing and Redevelopment Authority in and for the City of Richfield (the “HRA”) established and operates the Lyndale Gateway, LLC Tax Increment District (the “TIF District”); and

WHEREAS, previous changes to state tax law regarding the homestead market value exclusion has adversely affected tax receipts in the TIF District; and

WHEREAS, the 2013 Minnesota legislature amended Minnesota Statutes, section 469.177 by adding subd. 1d which permits a redevelopment authority to elect to reduce the original net tax capacity of a qualified district by the amount of the tax capacity attributable to the market value exclusion under Minnesota Statutes, section 273.13, subd. 35; and

WHEREAS, the TIF District meets the definition of a qualifying district within the meaning of Minnesota Statutes, section 469.177, subd. 1d; and

WHEREAS, the HRA may make such election only upon approval of the City Council by resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richfield as follows:

1. The HRA is authorized to elect to reduce the original tax capacity of the Lyndale Gateway, LLC Tax Increment District by the amount of the tax capacity attributable to the market value exclusion under Minnesota Statutes, section 273.13, subd. 35, but not below zero;
2. The HRA is authorized to notify the Hennepin County auditor of its election prior to July 1, 2015 in order for such election to be effective for taxes payable beginning in 2016; and
3. City and HRA staff and consultants are authorized and directed to take any and all such other actions as may be necessary or convenient to carry out the intent of this resolution.

Adopted by the City Council of the City of Richfield, Minnesota this 12th day of May, 2015.

Debbie Goettel, Mayor

ATTEST:

Elizabeth VanHoose, City Clerk



STAFF REPORT NO. 72
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:	Jim Topitzhofer, Recreation Services Director
DEPARTMENT DIRECTOR REVIEW:	Jim Topitzhofer, Recreation Services Director 5/4/2015
OTHER DEPARTMENT REVIEW:	N/A
CITY MANAGER REVIEW:	Steven L. Devich 5/5/2015

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing acceptance of grants received by Richfield Recreation Services Department from Hennepin County for youth sports equipment and to authorize the Recreation Services Director to execute the associated grant agreements.

EXECUTIVE SUMMARY:

The Richfield Recreation Services Department received two grants from Hennepin County for the purchase of youth sports equipment this year. One of the grants is to support the start up of an archery program in Augsburg Park with the purchase of archery equipment in the amount of \$3,532. The other grant is to support the start up of a track and field program at the High School Synthetic Track for equipment in the amount of \$1,680.

RECOMMENDED ACTION:

By Motion: Approve the resolution authorizing acceptance of grants received by Richfield Recreation Services Department from Hennepin County for archery equipment at Augsburg Park in the amount of \$3,532 and track & field equipment at Richfield High School in the amount of \$1,680 and to authorize the Recreation Services Director to execute the associated grant agreements.

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT**

The Recreation Services Department received a number of youth sports grants from Hennepin County in the past including Lincoln Athletic Complex, School District #287 soccer field and running track, Academy of Holy Angels Synthetic Turf Field, and soccer goals and anchors.

B. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

- The Administrative Services Department issued a memo on November 9, 2004 requiring that all grants and restricted donations to departments be received by resolution and by more than two-thirds majority of the City Council in accordance with Minnesota Statute 465.03.
- City Council considers approval for all City contracts and agreements by policy.

C. **CRITICAL TIMING ISSUES:**

- There are no critical timing issues associated with this item.

D. **FINANCIAL IMPACT:**

- There are no financial obligations or matches required for the two grants.

E. **LEGAL CONSIDERATION:**

- Minnesota Statute 465.03 requires every acceptance of a grant or devise of real or personal property of more two-thirds majority of the City Council.

ALTERNATIVE RECOMMENDATION(S):

- There are no alternative recommendations associated with this item.

PRINCIPAL PARTIES EXPECTED AT MEETING:

There are no principal parties attending meeting for this item.

ATTACHMENTS:

Description	Type
▣ Grant Resolution	Cover Memo
▣ Archery Grant Agreement	Cover Memo
▣ Track & Field Agreement	Cover Memo

RESOLUTION NO.

RESOLUTION AUTHORIZING ACCEPTANCE OF GRANTS RECEIVED BY THE CITY OF RICHFIELD-RECREATION SERVICES DEPARTMENT AND TO AUTHORIZE THE CITY TO ADMINISTER THE FUNDS IN ACCORDANCE WITH GRANT AGREEMENTS AND TERMS PRESCRIBED BY DONORS

WHEREAS, Minnesota Statute 465.03 reads in part as follows:

Any city, county, school district or town may accept a grant or devise of real or personal property and maintain such property for the benefit of its citizens in accordance with the terms prescribed by the donor. Nothing herein shall authorize such acceptance or use for religious or sectarian purposes. Every acceptance shall be by resolution of the council adopted by two-thirds majority of its members, expressing such terms in full, and

WHEREAS, the City of Richfield has received grants and donations as described below:

DATE	DONOR	PURPOSE	AMOUNT
<i>April 2015</i>	Hennepin County	Archery Equipment	\$3,532
<i>April 2015</i>	Hennepin County	Track & Field Equipment	\$1,680

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield, Minnesota, as follows:

That the City Council of the City of Richfield hereby accepts the grants and donations as listed above, received in 2015, and authorizes the City to administer the funds in accordance with grant agreements and terms prescribed by donors.

Adopted by the City Council of the City of Richfield, Minnesota this 12th day of May, 2015.

Debbie Goettel, Mayor

ATTEST:

_____ Elizabeth VanHoose, City Clerk

**AGREEMENT FOR
Archery equipment at Augsburg Park**

This Agreement is between the County of Hennepin, State of Minnesota (“COUNTY”), A-2300 Government Center, Minneapolis, MN 55487, and the City of Richfield located at 7000 Nicollet Avenue, Richfield, MN 55423 (“LOCAL UNIT OF GOVERNMENT ” herein “LGU”).

Recitals

1. Section 473.757, subd. 2 of Minnesota Statutes authorizes Hennepin County to make grants for youth activities and youth and amateur sports within Hennepin County with certain funds collected as part of the sales tax authorized in Section 473.757, subd. 10 of Minnesota Statutes.
2. Pursuant to Hennepin County Board Resolution 09-0320R3, Hennepin County created the Hennepin Youth Sports Program. The Hennepin Youth Sports Program makes grants for youth sports and activities and amateur sports within Hennepin County.
3. For 2015, as part of the Hennepin Youth Sports Program, by Resolution No. 15-0097, Hennepin County authorized an award of \$3,532 to the LGU for Archery equipment at Augsburg Park.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

The parties agree as follows:

1. **TERM**

The LGU agrees to complete and provide all necessary documentation for payment for the Project described in Section 2 between January 1, 2015 and December 31, 2015.

2. **PROJECT, CONTRIBUTION, USE OF FUNDS, MARKETING AND REPORTING**

The LGU shall be responsible for construction of the “Project” in accordance with the application submitted by the LGU to the Minnesota Amateur Sports Commission. The LGU’s “Application” for the Project dated 3/17/2015 is on file with Hennepin County and this Application is incorporated into this Agreement by this reference.

Pursuant to the terms herein, the COUNTY shall contribute to the LGU an amount not to exceed \$3,532. The LGU shall be solely responsible for securing all additional funds needed for completion of the Project. The LGU shall use all funds received under this Agreement for construction of the Project.

The parties shall cooperatively and collaboratively develop Project marketing including but not limited to a permanent plaque or sign, news releases, public announcements,

social media, video, civic opportunities, logos and community events. The LGU shall not unreasonably refuse or withhold participation from any COUNTY initiated marketing project, plan or strategy.

The LGU shall provide advance copy of the LGU's independently developed messaging and marketing materials regarding the Project to COUNTY for review and approval. COUNTY may, in its sole discretion, reject any proposed marketing if COUNTY determines the proposed marketing does not reflect the spirit or intent of the Project, this grant or is otherwise contrary to COUNTY's best interests.

Upon completion of the project, the LGU shall provide information, data, statistics and other metrics related to the project, facilities, participants and/or related activities, including but not limited to usage numbers, who is using the park, and what changes in usage were noted. This information shall be provided within one year of completion and on an annual basis for two years thereafter.

3. PAYMENT FOR SERVICES

Upon completion of the Project, the LGU shall submit a Certificate of Occupancy (when applicable) and/or an Affidavit of Project Completion (See Attachment A), as directed by COUNTY.

Upon COUNTY's confirmation that the Project is complete, the LGU shall submit invoices for Project expenses with a Reimbursement Request letter in substantially the same content and character as Attachment B.

If the total cost of the completed Project is less than the amount identified by the LGU in the budget the LGU submitted for the Project, the COUNTY's payment will be reduced based on a pro rata share of the difference between the budgeted amount and the actual amount.

Payment shall be made directly to the LGU upon the presentation of a complete claim in the manner provided by law governing the COUNTY'S payment of claims and/or invoices. Payment shall be made within forty-five (45) days from receipt of the invoice.

4. PROFESSIONAL CREDENTIALS

INTENTIONALLY OMITTED

5. INDEPENDENT CONTRACTOR

LGU shall select the means, method, and manner of performing the services. Nothing is intended or should be construed as creating or establishing the relationship of co-partners between the parties or as constituting LGU as the agent, representative, or employee of the COUNTY for any purpose. LGU is and shall remain an independent LGU for all

services performed under this Agreement. LGU shall secure at its own expense all personnel required in performing services under this Agreement. Any personnel of LGU or other persons while engaged in the performance of any work or services required by LGU will have no contractual relationship with the COUNTY and will not be considered employees of the COUNTY. The COUNTY shall not be responsible for any claims that arise out of employment or alleged employment under the Minnesota Economic Security Law or the Workers' Compensation Act of the State of Minnesota on behalf of any personnel, including, without limitation, claims of discrimination against LGU, its officers, agents, LGUs, or employees. LGU shall defend, indemnify, and hold harmless the COUNTY, its officials, officers, agents, volunteers, and employees from all such claims irrespective of any determination of any pertinent tribunal, agency, board, commission, or court. Such personnel or other persons shall neither require nor be entitled to any compensation, rights, or benefits of any kind from the COUNTY, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Re-employment Compensation, disability, severance pay, and retirement benefits.

6. NON-DISCRIMINATION

A. In accordance with the COUNTY's policies against discrimination, LGU agrees that it shall not exclude any person from full employment rights nor prohibit participation in or the benefits of, any program, service or activity on the grounds of race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status, or national origin. No person who is protected by applicable Federal or State laws against discrimination shall be subjected to discrimination.

7. INDEMNIFICATION

LGU agrees to defend, indemnify, and hold harmless the COUNTY, its officials, officers, agents, volunteers and employees from any liability, claims, causes of action, judgments, damages, losses, costs, or expenses, including reasonable attorney's fees, resulting directly or indirectly from any act or omission of LGU, a subcontractor hired by the LGU, anyone directly or indirectly employed by them, and/or anyone for whose acts and/or omissions they may be liable in the performance of the services required by this Agreement, and against all loss by reason of the failure of LGU to perform any obligation under this Agreement.

Nothing in this Agreement constitutes a waiver by the LGUs of any statutory or common law defenses, immunities, or limits on liability. The LGUs cannot be required to pay on behalf of themselves and COUNTY to a third party, any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one party. The limits of liability for COUNTY and LGUs may not be added together to determine the maximum amount of liability for LGUs.

8. DATA PRACTICES

LGU, its officers, agents, owners, partners, employees, volunteers and subLGUs shall abide by the provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13 (MGDPA), the Health Insurance Portability and Accountability Act and implementing regulations, if applicable, and all other applicable state and federal laws, rules, regulations and orders relating to data privacy or confidentiality. If LGU creates, collects, receives, stores, uses, maintains or disseminates data because it performs functions of the COUNTY pursuant to this Agreement, then LGU must comply with the requirements of the MGDPA as if it were a government entity, and may be held liable under the MGDPA for noncompliance. LGU agrees to defend, indemnify and hold harmless the COUNTY, its officials, officers, agents, employees, and volunteers from any claims resulting from LGU's officers', agents', owners', partners', employees', volunteers', assignees' or subLGUs' unlawful disclosure and/or use of such protected data, or other noncompliance with the requirements of this section. LGU agrees to promptly notify the COUNTY if it becomes aware of any potential claims, or facts giving rise to such claims, under the MGDPA. The terms of this section shall survive the cancellation or termination of this Agreement.

9. RECORDS – AVAILABILITY/ACCESS

Subject to the requirements of Minnesota Statutes Section 16C.05, Subd. 5, LGU agrees that the COUNTY, the State Auditor, the Legislative Auditor or any of their authorized representatives, at any time during normal business hours, and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of LGU and involve transactions relating to this Agreement. LGU shall maintain these materials and allow access during the period of this Agreement and for six (6) years after its termination or cancellation.

10. SUCCESSORS, SUBCONTRACTING AND ASSIGNMENTS

- A. LGU binds itself, its partners, successors, assigns and legal representatives to the COUNTY for all covenants, agreements and obligations contained in the contract documents.
- B. LGU shall not assign, transfer or pledge this Agreement and/or the services to be performed, whether in whole or in part, nor assign any monies due or to become due to it without the prior written consent of the COUNTY. A consent to assign shall be subject to such conditions and provisions as the COUNTY may deem necessary, accomplished by execution of a form prepared by the COUNTY and signed by LGU, the assignee and the COUNTY. Permission to assign, however, shall under no circumstances relieve LGU of its liabilities and obligations under the Agreement.

- C. LGU may subcontract for the services to be performed pursuant to this contract. Permission to subcontract, however, shall under no circumstances relieve LGU of its liabilities and obligations under the Agreement. Further, LGU shall be fully responsible for the acts, omissions, and failure of its subLGUs in the performance of the specified contractual services, and of person(s) directly or indirectly employed by subLGUs. Contracts between LGU and each subLGU shall require that the subLGU's services be performed in accordance with the terms and conditions specified. LGU shall make contracts between LGU and subLGUs available upon request.

11. MERGER AND MODIFICATION

- A. It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter. All items that are referenced or that are attached are incorporated and made a part of this Agreement. If there is any conflict between the terms of this Agreement and referenced or attached items, the terms of this Agreement shall prevail.
- B. Any alterations, variations, modifications, or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement signed by the parties.

12. DEFAULT AND CANCELLATION

- A. If LGU fails to perform any of the provisions of this Agreement or so fails to administer the work as to endanger the performance of the Agreement, it shall be in default. Unless LGU's default is excused by the COUNTY, the COUNTY may upon written notice immediately cancel this Agreement in its entirety. Additionally, failure to comply with the terms of this Agreement shall be just cause for the COUNTY to delay payment until LGU's compliance. In the event of a decision to withhold payment, the COUNTY shall furnish prior written notice to LGU.
- B. The above remedies shall be in addition to any other right or remedy available to the COUNTY under this Agreement, law, statute, rule, and/or equity.
- C. The COUNTY's failure to insist upon strict performance of any provision or to exercise any right under this Agreement shall not be deemed a relinquishment or waiver of the same, unless consented to in writing. Such consent shall not constitute a general waiver or relinquishment throughout the entire term of the Agreement.
- D. This Agreement may be canceled with or without cause by either party upon thirty (30) day written notice. If COUNTY cancels this Agreement without cause

upon thirty days written notice, COUNTY shall pay the LGU reasonable expenses incurred prior to the notice of cancellation.

- E. Provisions that by their nature are intended to survive the term, cancellation or termination of this Agreement include but are not limited to: INDEPENDENT CONTRACTOR; INDEMNIFICATION; DATA PRACTICES; RECORDS-AVAILABILITY/ACCESS; DEFAULT AND CANCELLATION; PROMOTIONAL LITERATURE; and MINNESOTA LAW GOVERNS.

13. CONTRACT PROCESSING AND ADMINISTRATION

The Minnesota Amateur Sports Commission (“MASC”) will serve as staff liaison in the grant process administration. Responsibilities will include but not be limited to: forwarding all required grant processing documents to LGU; and forwarding appropriate documents to COUNTY for processing and/or execution (i.e., grant contract and invoice requests). MASC will serve as contact for grant administration and/or processing inquiries.

Joe Mathews, or successor, shall manage this Agreement on behalf of the COUNTY and serve as contract liaison between the COUNTY and LGU.

14. COMPLIANCE AND NON-DEBARMENT CERTIFICATION

- A. LGU shall comply with all applicable federal, state and local statutes, regulations, rules and ordinances currently in force or later enacted.
- B. If the source or partial source of funds for payment of services under this Agreement is federal, state or other grant monies, LGU shall comply with all applicable conditions of the specific referenced or attached grant.
- C. LGU certifies that it is not prohibited from doing business with either the federal government or the State of Minnesota as a result of debarment or suspension proceedings.

15. NOTICES

Any notice or demand which must be given or made by a party under this Agreement or any statute or ordinance shall be in writing, and shall be sent registered or certified mail. Notices to the COUNTY shall be sent to the County Administrator with a copy to the originating Department at the address given in the opening paragraph of the Agreement. Notice to LGU shall be sent to the address stated in the opening paragraph of the Agreement.

16. PROMOTIONAL LITERATURE

LGU agrees that the terms “Hennepin County” or any derivative shall not be utilized in any promotional literature, advertisements of any type or form or client lists without the express prior written consent of the COUNTY.

17. MINNESOTA LAWS GOVERN

The Laws of the State of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the parties and their performance. The appropriate venue and jurisdiction for any litigation will be those courts located within the County of Hennepin, State of Minnesota. Litigation, however, in the federal courts involving the parties will be in the appropriate federal court within the State of Minnesota. If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions will not be affected.

THIS PORTION OF PAGE INTENTIONALLY LEFT BLANK

LGU AUTHORIZATION

*LGU: City of Richfield

By: _____

Its: _____

And: _____

Its: _____

organized under:

Statutory _____ Option A _____ Option B _____ Charter _____

*LGU shall submit applicable documentation (articles, bylaws, resolutions or ordinances) that confirms the signatory's delegation of authority. This documentation shall be submitted at the time LGU returns the Agreement to the COUNTY. Documentation is not required for a sole proprietorship.

COUNTY BOARD AUTHORIZATION

COUNTY OF HENNEPIN
STATE OF MINNESOTA

Reviewed by the County
Attorney's Office

Date: _____

ATTEST: _____
Deputy/Clerk of County Board

Date: _____

And: _____
Assistant/Deputy/County Administrator

Date: _____

**AGREEMENT FOR
Track and field equipment for Augsburg Park and Richfield High School**

This Agreement is between the County of Hennepin, State of Minnesota (“COUNTY”), A-2300 Government Center, Minneapolis, MN 55487, and the City of Richfield located at 7000 Nicollet Avenue, Richfield, MN 55423 (“LOCAL UNIT OF GOVERNMENT ” herein “LGU”).

Recitals

1. Section 473.757, subd. 2 of Minnesota Statutes authorizes Hennepin County to make grants for youth activities and youth and amateur sports within Hennepin County with certain funds collected as part of the sales tax authorized in Section 473.757, subd. 10 of Minnesota Statutes.
2. Pursuant to Hennepin County Board Resolution 09-0320R3, Hennepin County created the Hennepin Youth Sports Program. The Hennepin Youth Sports Program makes grants for youth sports and activities and amateur sports within Hennepin County.
3. For 2015, as part of the Hennepin Youth Sports Program, by Resolution No. 15-0097, Hennepin County authorized an award of \$1,680 to the LGU for Track and field equipment for Augsburg Park and Richfield High School.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

The parties agree as follows:

1. **TERM**

The LGU agrees to complete and provide all necessary documentation for payment for the Project described in Section 2 between January 1, 2015 and December 31, 2015.

2. **PROJECT, CONTRIBUTION, USE OF FUNDS, MARKETING AND REPORTING**

The LGU shall be responsible for construction of the “Project” in accordance with the application submitted by the LGU to the Minnesota Amateur Sports Commission. The LGU’s “Application” for the Project dated 3/17/2015 is on file with Hennepin County and this Application is incorporated into this Agreement by this reference.

Pursuant to the terms herein, the COUNTY shall contribute to the LGU an amount not to exceed \$1,680. The LGU shall be solely responsible for securing all additional funds needed for completion of the Project. The LGU shall use all funds received under this Agreement for construction of the Project.

The parties shall cooperatively and collaboratively develop Project marketing including but not limited to a permanent plaque or sign, news releases, public announcements,

social media, video, civic opportunities, logos and community events. The LGU shall not unreasonably refuse or withhold participation from any COUNTY initiated marketing project, plan or strategy.

The LGU shall provide advance copy of the LGU's independently developed messaging and marketing materials regarding the Project to COUNTY for review and approval. COUNTY may, in its sole discretion, reject any proposed marketing if COUNTY determines the proposed marketing does not reflect the spirit or intent of the Project, this grant or is otherwise contrary to COUNTY's best interests.

Upon completion of the project, the LGU shall provide information, data, statistics and other metrics related to the project, facilities, participants and/or related activities, including but not limited to usage numbers, who is using the park, and what changes in usage were noted. This information shall be provided within one year of completion and on an annual basis for two years thereafter.

3. PAYMENT FOR SERVICES

Upon completion of the Project, the LGU shall submit a Certificate of Occupancy (when applicable) and/or an Affidavit of Project Completion (See Attachment A), as directed by COUNTY.

Upon COUNTY's confirmation that the Project is complete, the LGU shall submit invoices for Project expenses with a Reimbursement Request letter in substantially the same content and character as Attachment B.

If the total cost of the completed Project is less than the amount identified by the LGU in the budget the LGU submitted for the Project, the COUNTY's payment will be reduced based on a pro rata share of the difference between the budgeted amount and the actual amount.

Payment shall be made directly to the LGU upon the presentation of a complete claim in the manner provided by law governing the COUNTY'S payment of claims and/or invoices. Payment shall be made within forty-five (45) days from receipt of the invoice.

4. PROFESSIONAL CREDENTIALS

INTENTIONALLY OMITTED

5. INDEPENDENT CONTRACTOR

LGU shall select the means, method, and manner of performing the services. Nothing is intended or should be construed as creating or establishing the relationship of co-partners between the parties or as constituting LGU as the agent, representative, or employee of the COUNTY for any purpose. LGU is and shall remain an independent LGU for all

services performed under this Agreement. LGU shall secure at its own expense all personnel required in performing services under this Agreement. Any personnel of LGU or other persons while engaged in the performance of any work or services required by LGU will have no contractual relationship with the COUNTY and will not be considered employees of the COUNTY. The COUNTY shall not be responsible for any claims that arise out of employment or alleged employment under the Minnesota Economic Security Law or the Workers' Compensation Act of the State of Minnesota on behalf of any personnel, including, without limitation, claims of discrimination against LGU, its officers, agents, LGUs, or employees. LGU shall defend, indemnify, and hold harmless the COUNTY, its officials, officers, agents, volunteers, and employees from all such claims irrespective of any determination of any pertinent tribunal, agency, board, commission, or court. Such personnel or other persons shall neither require nor be entitled to any compensation, rights, or benefits of any kind from the COUNTY, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Re-employment Compensation, disability, severance pay, and retirement benefits.

6. NON-DISCRIMINATION

A. In accordance with the COUNTY's policies against discrimination, LGU agrees that it shall not exclude any person from full employment rights nor prohibit participation in or the benefits of, any program, service or activity on the grounds of race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status, or national origin. No person who is protected by applicable Federal or State laws against discrimination shall be subjected to discrimination.

7. INDEMNIFICATION

LGU agrees to defend, indemnify, and hold harmless the COUNTY, its officials, officers, agents, volunteers and employees from any liability, claims, causes of action, judgments, damages, losses, costs, or expenses, including reasonable attorney's fees, resulting directly or indirectly from any act or omission of LGU, a subcontractor hired by the LGU, anyone directly or indirectly employed by them, and/or anyone for whose acts and/or omissions they may be liable in the performance of the services required by this Agreement, and against all loss by reason of the failure of LGU to perform any obligation under this Agreement.

Nothing in this Agreement constitutes a waiver by the LGUs of any statutory or common law defenses, immunities, or limits on liability. The LGUs cannot be required to pay on behalf of themselves and COUNTY to a third party, any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one party. The limits of liability for COUNTY and LGUs may not be added together to determine the maximum amount of liability for LGUs.

8. DATA PRACTICES

LGU, its officers, agents, owners, partners, employees, volunteers and subLGUs shall abide by the provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13 (MGDPA), the Health Insurance Portability and Accountability Act and implementing regulations, if applicable, and all other applicable state and federal laws, rules, regulations and orders relating to data privacy or confidentiality. If LGU creates, collects, receives, stores, uses, maintains or disseminates data because it performs functions of the COUNTY pursuant to this Agreement, then LGU must comply with the requirements of the MGDPA as if it were a government entity, and may be held liable under the MGDPA for noncompliance. LGU agrees to defend, indemnify and hold harmless the COUNTY, its officials, officers, agents, employees, and volunteers from any claims resulting from LGU's officers', agents', owners', partners', employees', volunteers', assignees' or subLGUs' unlawful disclosure and/or use of such protected data, or other noncompliance with the requirements of this section. LGU agrees to promptly notify the COUNTY if it becomes aware of any potential claims, or facts giving rise to such claims, under the MGDPA. The terms of this section shall survive the cancellation or termination of this Agreement.

9. RECORDS – AVAILABILITY/ACCESS

Subject to the requirements of Minnesota Statutes Section 16C.05, Subd. 5, LGU agrees that the COUNTY, the State Auditor, the Legislative Auditor or any of their authorized representatives, at any time during normal business hours, and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of LGU and involve transactions relating to this Agreement. LGU shall maintain these materials and allow access during the period of this Agreement and for six (6) years after its termination or cancellation.

10. SUCCESSORS, SUBCONTRACTING AND ASSIGNMENTS

- A. LGU binds itself, its partners, successors, assigns and legal representatives to the COUNTY for all covenants, agreements and obligations contained in the contract documents.
- B. LGU shall not assign, transfer or pledge this Agreement and/or the services to be performed, whether in whole or in part, nor assign any monies due or to become due to it without the prior written consent of the COUNTY. A consent to assign shall be subject to such conditions and provisions as the COUNTY may deem necessary, accomplished by execution of a form prepared by the COUNTY and signed by LGU, the assignee and the COUNTY. Permission to assign, however, shall under no circumstances relieve LGU of its liabilities and obligations under the Agreement.

- C. LGU may subcontract for the services to be performed pursuant to this contract. Permission to subcontract, however, shall under no circumstances relieve LGU of its liabilities and obligations under the Agreement. Further, LGU shall be fully responsible for the acts, omissions, and failure of its subLGUs in the performance of the specified contractual services, and of person(s) directly or indirectly employed by subLGUs. Contracts between LGU and each subLGU shall require that the subLGU's services be performed in accordance with the terms and conditions specified. LGU shall make contracts between LGU and subLGUs available upon request.

11. MERGER AND MODIFICATION

- A. It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter. All items that are referenced or that are attached are incorporated and made a part of this Agreement. If there is any conflict between the terms of this Agreement and referenced or attached items, the terms of this Agreement shall prevail.
- B. Any alterations, variations, modifications, or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement signed by the parties.

12. DEFAULT AND CANCELLATION

- A. If LGU fails to perform any of the provisions of this Agreement or so fails to administer the work as to endanger the performance of the Agreement, it shall be in default. Unless LGU's default is excused by the COUNTY, the COUNTY may upon written notice immediately cancel this Agreement in its entirety. Additionally, failure to comply with the terms of this Agreement shall be just cause for the COUNTY to delay payment until LGU's compliance. In the event of a decision to withhold payment, the COUNTY shall furnish prior written notice to LGU.
- B. The above remedies shall be in addition to any other right or remedy available to the COUNTY under this Agreement, law, statute, rule, and/or equity.
- C. The COUNTY's failure to insist upon strict performance of any provision or to exercise any right under this Agreement shall not be deemed a relinquishment or waiver of the same, unless consented to in writing. Such consent shall not constitute a general waiver or relinquishment throughout the entire term of the Agreement.
- D. This Agreement may be canceled with or without cause by either party upon thirty (30) day written notice. If COUNTY cancels this Agreement without cause

upon thirty days written notice, COUNTY shall pay the LGU reasonable expenses incurred prior to the notice of cancellation.

- E. Provisions that by their nature are intended to survive the term, cancellation or termination of this Agreement include but are not limited to: INDEPENDENT CONTRACTOR; INDEMNIFICATION; DATA PRACTICES; RECORDS-AVAILABILITY/ACCESS; DEFAULT AND CANCELLATION; PROMOTIONAL LITERATURE; and MINNESOTA LAW GOVERNS.

13. CONTRACT PROCESSING AND ADMINISTRATION

The Minnesota Amateur Sports Commission (“MASC”) will serve as staff liaison in the grant process administration. Responsibilities will include but not be limited to: forwarding all required grant processing documents to LGU; and forwarding appropriate documents to COUNTY for processing and/or execution (i.e., grant contract and invoice requests). MASC will serve as contact for grant administration and/or processing inquiries.

Joe Mathews, or successor, shall manage this Agreement on behalf of the COUNTY and serve as contract liaison between the COUNTY and LGU.

14. COMPLIANCE AND NON-DEBARMENT CERTIFICATION

- A. LGU shall comply with all applicable federal, state and local statutes, regulations, rules and ordinances currently in force or later enacted.
- B. If the source or partial source of funds for payment of services under this Agreement is federal, state or other grant monies, LGU shall comply with all applicable conditions of the specific referenced or attached grant.
- C. LGU certifies that it is not prohibited from doing business with either the federal government or the State of Minnesota as a result of debarment or suspension proceedings.

15. NOTICES

Any notice or demand which must be given or made by a party under this Agreement or any statute or ordinance shall be in writing, and shall be sent registered or certified mail. Notices to the COUNTY shall be sent to the County Administrator with a copy to the originating Department at the address given in the opening paragraph of the Agreement. Notice to LGU shall be sent to the address stated in the opening paragraph of the Agreement.

16. PROMOTIONAL LITERATURE

LGU agrees that the terms “Hennepin County” or any derivative shall not be utilized in any promotional literature, advertisements of any type or form or client lists without the express prior written consent of the COUNTY.

17. MINNESOTA LAWS GOVERN

The Laws of the State of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the parties and their performance. The appropriate venue and jurisdiction for any litigation will be those courts located within the County of Hennepin, State of Minnesota. Litigation, however, in the federal courts involving the parties will be in the appropriate federal court within the State of Minnesota. If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions will not be affected.

THIS PORTION OF PAGE INTENTIONALLY LEFT BLANK

LGU AUTHORIZATION

*LGU: City of Richfield

By: _____

Its: _____

And: _____

Its: _____

organized under:

Statutory _____ Option A _____ Option B _____ Charter _____

*LGU shall submit applicable documentation (articles, bylaws, resolutions or ordinances) that confirms the signatory's delegation of authority. This documentation shall be submitted at the time LGU returns the Agreement to the COUNTY. Documentation is not required for a sole proprietorship.

COUNTY BOARD AUTHORIZATION

COUNTY OF HENNEPIN
STATE OF MINNESOTA

Reviewed by the County
Attorney's Office

Date: _____

ATTEST: _____
Deputy/Clerk of County Board

Date: _____

And: _____
Assistant/Deputy/County Administrator

Date: _____



STAFF REPORT NO. 73
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:
 DEPARTMENT DIRECTOR REVIEW:

Robert Hintgen, Utilities Superintendent
 Kristin Asher, Acting Public Works Director
 5/5/2015

OTHER DEPARTMENT REVIEW:
 CITY MANAGER REVIEW:

N/A
 Steven L. Devich
 5/6/2015

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of the following related to the Penn Avenue Tower Reconditioning project:

1. **Accept the bid minutes/tabulation and award a contract for the Penn Avenue Tower Reconditioning project to TMI Coatings, Inc. in the amount of \$992,450.00.**
2. **Authorize for the City Manager to approve contract changes under \$100,000 without further City Council action.**

EXECUTIVE SUMMARY:

The Penn Avenue Tower Reconditioning project consists of a complete exterior painting/repair with minor interior repairs. Typical water tower coatings have a 15-20 year life expectancy if properly maintained; this tower's current coating is 19 years of age. During the reconditioning period residents should not notice any change in water quality or pressure.

This project was identified and approved in the 2015 Capital Improvement Budget with a budget of \$500,000. The actual low bid is substantially higher due to site restrictions and limited contractor interest/availability. The difference between the budgeted amount and bid will be covered by the Water Utility fund balance.

RECOMMENDED ACTION:

By Motion:

1. **Accept the bid minutes/tabulation and award a contract for the Penn Avenue Tower Reconditioning project to TMI Coatings, Inc. in the amount of \$992,450.00.**
2. **Authorize the City Manager to approve contract changes under \$100,000 without further City Council action.**

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT**

- The 1.5 million gallon Penn Avenue Water Tower located at 6401 Penn Avenue South was built in 1963. Reconditioning of Water Towers typically have a life span 15-20 years if properly maintained. This tower was last reconditioned in 1996 making this coating 19 years old.
- In 2007, the interior of the Water Tower was completely reconditioned, while the exterior was just power washed and was in relatively good shape.
- This is the first time this tower has been reconditioned since the four phone carriers have placed multiple antenna's on the tower. The limited ground space left few options on temporary cell sites for the carriers, while leaving enough space for the contractor. The chosen option was to install one 75' temporary monopole for all carriers to share.

- Short Elliot Hendrickson, Inc. (SEH) was hired to complete the plans and specifications. SEH will also conduct inspections during the reconditioning process.
- Advertisement for Bids was published on April 2, 2015.
- Bids were opened on April 28, 2015.
- TMI Coatings, Inc. was the lowest responsible bidder.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- The project is identified in the City's Capital Improvement Budget.
- Council approval is required for expenditures over \$100,000.

C. CRITICAL TIMING ISSUES:

- Approval of the recommended contract will require the contractor to commence work on August 3, 2015 with substantial completion by October 2, 2015.

D. FINANCIAL IMPACT:

- Two bids were received for construction; the low bid was \$992,450.00.
- The Penn Tower Reconditioning project was approved in the 2015 budget (line item 51000-7350).
- The approved budget includes \$500,000 for this project, based on past water tower related projects. The difficulties presented by the site restrictions are the main cause of the higher bid amount.
- The 2015 revised budget will reflect the actual bid amount.
- This expenditure does not impact the general fund.

E. LEGAL CONSIDERATION:

- All contracts over \$100,000 require sealed bids to be solicited by public notice.

ALTERNATIVE RECOMMENDATION(S):

- Council may reject all bids; however, it is the opinion of staff that the bid submitted by the recommended contractor is reasonable and responsible.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
☐ Bid Tabulation	Backup Material

CITY OF RICHFIELD, MINNESOTA

Bid Opening
April 28, 2015
2:00 p.m.

Penn Avenue Tower Reconditioning
Bid No. 15-04

Pursuant to requirements of Resolution No. 1015, a meeting of the Administrative Staff was called by Elizabeth VanHoose, City Clerk, who announced that the purpose of the meeting was to receive, open and read aloud, bids for the Penn Avenue Tower Reconditioning Project, as advertised in the official newspaper on April 2, 2015.

Present: Elizabeth VanHoose, City Clerk
Robert Hintgen, Utilities Superintendent
Russ Lupkes, Utilities Supervisor
Cheryl Krumholz, City Manager Representative

The following bids were submitted and read aloud:

Bidder's Name	Bid Bond	Grand Total Bid
Classic Protective Coatings Inc. Menomonie, WI	Yes	\$ 1,143,950.00
TMI Coatings, Inc. St. Paul, MN	Yes	\$ 992,450.00

The City Clerk announced that the bids would be tabulated and considered at the May 12, 2015 City Council Meeting.

Elizabeth VanHoose City Clerk



STAFF REPORT NO. 74
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:

Jared Voto, Administrative Aide/Analyst

DEPARTMENT DIRECTOR REVIEW:

Kristin Asher, Acting Public Works Director

5/5/2015

OTHER DEPARTMENT REVIEW:

N/A

CITY MANAGER REVIEW:

Steven L. Devich

5/7/2015

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution directing parallel private utility undergrounding within the project limits of the Portland Avenue Reconstruction project (67th Street to 77th Street).

EXECUTIVE SUMMARY:

The City Council has identified undergrounding of parallel private utilities within the City's right-of-way as a goal for the major roadways within Richfield. Xcel Energy has provided the City with a cost estimate for relocating their facilities underground within the Portland Avenue Reconstruction project limits to be \$387,888. As on past projects, Xcel Energy will pass on the cost of the undergrounding work to the utility ratepayers (residential/commercial). It is estimated that the work on Portland Avenue will be recovered over 22 months at a rate of \$1.00/month for residential properties.

RECOMMENDED ACTION:

By Motion: Adopt the resolution directing Xcel Energy to underground their utility lines within the project limits of the Portland Avenue Reconstruction project and supporting their legal right to recover costs through a surcharge to the City's ratepayers.

BASIS OF RECOMMENDATION:**A. HISTORICAL CONTEXT**

- The City Council has identified undergrounding of private utilities within the City's right-of-way as a goal for the major roadways within Richfield.
- On July 22, 2014, the City notified Xcel Energy that their facilities must be relocated.
- Xcel Energy has provided the City with a cost estimate for relocating their facilities underground within the project limits to be \$387,888.
- In the past, Xcel Energy undergrounding fees have been recovered by Xcel Energy through the use of the City Requested Special Facilities Surcharge (CRFS), a special facility recovery mechanism described in their tariff, which allows them to obtain funds through the City's ratepayers. The attached resolution is provided if the Council chooses to direct Xcel Energy to underground their utilities and utilize the surcharge mechanism.
- The Council has the option to pay directly for the undergrounding which would prevent Xcel Energy from utilizing their special facility recovery mechanism. However, the CRFS has been identified in the project budget as the primary funding source for this work and no other source has been identified.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- The City Council has identified undergrounding of public utilities in the right of way as a goal in the City's Comprehensive Plan (Transportation Goal 3 – 2008 Comprehensive Plan).

C. CRITICAL TIMING ISSUES:

- The City has directed Xcel Energy to have their overhead facilities put underground concurrent with the Portland Avenue Reconstruction project.
- The undergrounding work is scheduled to begin in late May.

D. FINANCIAL IMPACT:

- The estimated cost of placing Xcel's facilities underground is \$387,888.
- If directed by the City Council, Xcel Energy will recover costs using the City Requested Facilities Surcharge (CRFS). The \$387,888 cost can be recovered in 22 months time using the same rates as in the past (\$1/month/residential meter).
- The total cost may be reduced if the City is successful in obtaining funds from Hennepin County via their Roadside Enhancement Partnership Program.

E. LEGAL CONSIDERATION:

- The City Attorney has reviewed the resolution and will be available for questions.

ALTERNATIVE RECOMMENDATION(S):

The Council may decide to pay for the undergrounding using other City funds rather than have Xcel Energy recover their costs through the ratepayers.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
☐ Resolution	Resolution Letter

RESOLUTION NO.

**RESOLUTION DIRECTING XCEL ENERGY TO UNDERGROUND OVERHEAD UTILITIES
ALONG PORTLAND AVENUE BETWEEN 67TH STREET AND 70TH STREET**

WHEREAS, in 2015 roadway and boulevard improvements will be completed on Portland Avenue between 67th Street and 77th Street to provide for improved traffic safety; and

WHEREAS, the City seeks to improve safety and aesthetics along Portland Avenue by directing Xcel Energy to underground it's electric utility facilities along Portland Avenue; and

WHEREAS, Xcel Energy is expected to recover the additional costs it will incur because of the undergrounding of facilities through a surcharge on customers within the City; and

WHEREAS, the City is in receipt of an estimate for the requested undergrounding; and

WHEREAS, on July 22, 2014 Xcel Energy was notified by e-mail that their facilities must be relocated. The relocation must be completed concurrently with the road reconstruction project.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield, Minnesota, as follows:

1. Xcel Energy is hereby requested and directed to relocate its overhead facilities underground along Portland Avenue between 67th Street and 70th Street.
2. The City agrees that it will not oppose a surcharge on customers of Xcel located within the City. The amount shall be Xcel's necessary, actual, and reasonably incurred costs of undergrounding.
3. The City does not waive its right to verify, by legal means available to it, that the amount of the surcharge is Xcel's necessary, actual and reasonably incurred costs of undergrounding.

Adopted by the City Council of the City of Richfield, Minnesota this 12th day of May, 2015.

Debbie Goettel, Mayor

ATTEST:

Elizabeth VanHoose, City Clerk



STAFF REPORT NO. 75
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:	Steven L. Devich, City Manager
DEPARTMENT DIRECTOR REVIEW:	Steven L. Devich 5/6/2015
OTHER DEPARTMENT REVIEW:	N/A
CITY MANAGER REVIEW:	Steven L. Devich 5/6/2015

ITEM FOR COUNCIL CONSIDERATION:

Public hearing regarding the consideration of the cable communications franchise application of Century Link to provide service to the City of Richfield.

EXECUTIVE SUMMARY:

On March 24, 2015 the City Council considered a request from Century Link to grant a cable communications franchise to provide such services to the City. Pursuant to this request the City initiated the process proscribed by Minnesota Statutes 238.081 by publishing a Notice of Intent to Franchise in the Sun Current and mailed the Notice directly to the existing provider Comcast and the prospective applicant Century Link.

The closing date for applications was established as April 24, 2015. Century Link was the only prospective provider that filed an application within the application period. The next step in the process is to conduct a public hearing regarding the application submitted by Century Link in order to take public comment on the matter.

Brian Grogan, the attorney for the Southwest Suburban Cable Commission (SWSCC), will address the City Council concerning the application and the process that will follow before the ultimate decision to grant or deny a franchise would be considered. The final City Council action on the franchise request is expected to occur sometime early this summer.

RECOMMENDED ACTION:

Conduct and close the public hearing regarding the application of Century Link for a cable franchise for the City of Richfield.

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT**

Richfield has been a member City of the five City Southwest Suburban Cable Commission since the early 1980s. The SWSCC has been the contact point in terms of securing and administering cable television franchises within the member cities since that time. Legal staff for the SWSCC does the background work in assessing the qualifications of an applicant for a television cable franchise and makes recommendations to the member cities on the issuance of a franchise. So the process that is being followed in this instance is the same that has been used for such franchise applications in the past.

B. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

The cable franchising process in Minnesota is provided for in MN Statutes Section 238.081. The City must follow the procedures and timelines as stated in the Statute.

C. **CRITICAL TIMING ISSUES:**

In order to stay on schedule within the process prepared in accord with state statutes, the public hearing to consider this application must be held on May 12, 2015.

D. **FINANCIAL IMPACT:**

None. Century Link has submitted a check for \$10,000 to the City to cover the costs incurred by the City for this application process.

E. **LEGAL CONSIDERATION:**

Brian Grogan, the attorney for the SWSCC, has outlined the process to be followed in responding to this franchise request and has prepared all of the documentation that will be utilized by the City in this process. In addition, Mr Grogan will conduct the analysis of qualifications of the applicant and provide his conclusions to the City at a future date.

Pursuant to MN Statutes Section 238.081, a Notice of Intent to Franchise was published for two successive weeks (April 2 and April 9) in the Richfield Sun Current.

ALTERNATIVE RECOMMENDATION(S):

None.

PRINCIPAL PARTIES EXPECTED AT MEETING:

Brian Grogan, Attorney for the SWSCC.

ATTACHMENTS:

Description	Type
☐ Application	Backup Material

CITY OF RICHFIELD

APPLICATION OF QWEST BROADBAND SERVICES, INC. D/B/A CENTURYLINK

FOR A COMPETITIVE CABLE FRANCHISE

Qwest Broadband Services, Inc., d/b/a CenturyLink ("CenturyLink") respectfully files this application for a competitive cable communications franchise with the City of Richfield pursuant to the City of Richfield Notice and Request for Proposals dated March 24, 2015.

Background:

Overview of CenturyLink

CenturyLink Improves Lives

At CenturyLink, our vision is to improve the lives of our customers. Through our products and services, we help strengthen businesses and connect communities to each other and the world.

CenturyLink's Unifying Principles

We have established certain fundamental values that are the foundation for how we interact with our partners, our customers and with one another. We call these values our Unifying Principles, and they bring together our beliefs into a cohesive philosophy that guides our actions in all matters, including our greater social responsibility in the communities where we live and work. The Unifying Principles are Fairness, Honesty and Integrity, Commitment to Excellence, Positive Attitude, Respect, Faith and Perseverance.

CenturyLink in Minnesota

CenturyLink in Minnesota employs approximately 3,000 people with the majority of those jobs located in the Twin Cities metropolitan area. More than half of CenturyLink employees in the Twin Cities are represented by the Communications Workers of America Union. This includes approximately 500 network technicians, 200 of whom are being cross-trained to support Prism. Success in the market will trigger hiring more skilled technicians in the future to support Prism. CenturyLink also employs approximately 100 network engineers in the Twin Cities who work in partnership with the network operations team to plan, build and deploy service. CenturyLink's network operations team supports the new headend facility, located in Golden Valley.

Employees in the Twin Cities also include business sales, marketing, regulatory affairs, public policy, customer service and administrative support. Employees are located across the Twin Cities in central office neighborhood locations and at three main corporate campus locations:

- CenturyLink, 200 S. 5th Street, downtown Minneapolis
- CenturyLink, 2800 Wayzata Blvd, Bryn Mawr, Minneapolis
- CenturyLink, 70 W. 4th Street, downtown St. Paul

Many CenturyLink employees have worked with the company for decades experiencing early innovations as a telephone company and the current day transformation into a technologically-sophisticated service provider to local communities and Minnesota's largest companies.

With a statewide payroll that exceeds \$195 million each year, CenturyLink is a proud contributor to jobs and the economy in the state.

CenturyLink in the Community, Sustainability and Commitment to Diversity

CenturyLink is committed to strengthening and improving the communities it serves, not only through jobs, products and services, but also through philanthropic support of local community agencies, events and initiatives. We focus our philanthropic and volunteer efforts on K-12 education and programs that support youth; technology-focused initiatives; and locally-driven efforts that strengthen communities and make them better places to live.

Through our involvement in efforts ranging from environmental stewardship to community investment, we further our commitment to improve lives by being a good citizen and neighbor in the communities where we work and live.

- Since 2007, the CenturyLink Clark M. Williams Foundation (previously Qwest Foundation) has awarded \$800,000 to innovative Minnesota teachers working to improve STEM learning and access to technology in schools statewide. The Minnesota Business Partnership assists CenturyLink by administering the program. Together, we are helping to build awareness around STEM education and preparing Minnesota's future workforce for STEM careers.
- CenturyLink awards scholarships in partnership with local organizations to advance the opportunities of their stakeholders. Scholarships recipient organizations include:
 - CenturyLink STEM scholarship via Minnesota High Tech association.

- Pacer Center Excite Technology Camp for Girls scholarship.
- Minneapolis Urban League general education scholarships.
- University of St. Thomas, ThreeSixty program scholarship.
- CenturyLink helps provide a state-of-the-art fan experience at Target Field as the Official Communications Provider for the Minnesota Twins and Target Field. CenturyLink's sponsorship also includes working with the Twins and the Metro Area Library Association to support the summer reading program.
- Through our Matching Time Grant program, Minnesota employees volunteering time to a non-profit agency can earn a CenturyLink Foundation grant for that organization.
- Our employees can further their community support through our annual CenturyLink All Employee Volunteer Day, Employee Giving Campaign supporting the Greater Twin Cities United Way and our Annual Food Drive supporting Second Harvest Heartland.
- We are committed to environmental sustainability through programs that include waste recycling, green information technology, and procurement policies and practices.
- CenturyLink provides incentives for employees in certain communities to make use of public transit or green commuter programs.
- Our Ethics and Compliance Program provides employees with guidance in making ethical business decisions and provides mechanisms for employees to report concerns.
- We have a Supplier Code of Conduct that establishes expectations for our contractors and vendors regarding ethical business practices.
- CenturyLink's Privacy Policy protects our customers' information and keeps our customers informed about the information we collect and the choices they have regarding that information.
- Diversity is celebrated and promoted through our Employee Resource Groups, recruiting, global supply chain and community outreach.

CenturyLink Lifeline & Internet Basics

CenturyLink participates in Lifeline, which provides certain discounts to qualified subscribers on monthly service. The program is designed to help low income households with needed phone services. Lifeline is available to qualifying customers in every U.S. state. Qualifications vary by state. Residents of American Indian and Alaskan Native tribal lands may qualify for up to an additional \$25 of enhanced Lifeline support monthly. They may also qualify for the Link-Up program, which helps consumers pay the initial installation costs of getting telephone service. Link-Up provides a credit of up to \$100 of the initial installation charges for tribal customers.

CenturyLink supports the Federal Communications Commission's goal of bringing high-speed Internet to economically-disadvantaged households. We work with nonprofit partners throughout our state to engage communities in the CenturyLink Internet Basics program which provides qualifying low-income Minnesotans service at a reduced rate. CenturyLink has conducted training programs and awareness building around Internet Basics through the Minneapolis Urban League. We have created partnerships with the Minneapolis Public Schools and PC's for People to distribute hundreds of computers to low-income families and provide information to families on the opportunities offered through CenturyLink Internet Basics.

CenturyLink, the applicant, is a Delaware corporation, in good standing and authorized to do business in the State of Minnesota.

The following responds directly to the requested information set forth in the Request for Proposals:

A. Plans for channel capacity, including both the total number of channels capable of being energized in the system and the number of channels to be energized immediately.

Applicant's underlying switched digital IP based technology allows for an almost unlimited channel capacity. While a final channel lineup has not been finalized at this time, please see "Exhibit A - channel lineup and programming packages" from another jurisdiction CenturyLink offers Prism™ service. CenturyLink will provide the Commission with a copy of the actual channel lineup prior to launching service. It should be noted that currently CenturyLink offers more channels in HD than any other MVPD nationally. It also provides a robust library of Video on Demand content.

B. A statement of the television and radio broadcast signals for which permission to carry will be requested from the Federal Communications Commission.

Franchisee will make all appropriate filings and preparations prior to the turn up of its video service including (1) filing a community registration with the FCC via FCC Form 322; (2) providing notice to local broadcasters and requesting either must-carry or retransmission consent election. In the Twin Cities area, Applicant will negotiate retransmission agreements with the following stations: KARE, KMSP, KSTC, KSTP, WCCO, WFTC, and WUCW. The following stations will be carried via a must carry election by the station: KPXM and KTCA. And (3) registration of any antennas required to provide service.

In its existing markets, Franchisee complies with many additional federal requirements in providing its Prism™ service, including all of the FCC requirements applicable to multichannel video programming distributors (such as equal employment opportunity and set-top box requirements), the FCC requirements applicable to EAS participants that are wireline video service providers, other FCC requirements applicable to provision of Prism™ (such as receive-only earth station license requirements and annual regulatory fees for IPTV providers), and the Copyright Office requirements for cable systems filing semi-annual copyright statements of accounts and paying statutory license fees. Franchisee does not file an FCC Form 327 relating to CARS microwave facilities because Franchisee does not use such facilities in connection with the provision of Prism™. Similarly, Franchisee does not file FCC Form 320 and FCC Form 321 as they relate to the use of aeronautical frequencies that are not applicable to the IPTV technology.

C. A description of the proposed system design and planned operation, including at least the following items:

Description of the Technology and Infrastructure:

CenturyLink will deploy its cable communications service, Prism™, over facilities owned by an affiliated company, Qwest Corporation, d/b/a CenturyLink (QC). Prism is a switched digital service and is Ethernet based (it is not a QAM based, broadcast service). The fact that the service is switched digital and Ethernet based enables CenturyLink to offer unique features and functions, e.g., warp channel change, not generally available over more traditional cable systems, as more fully detailed below.

Currently, two network architectural designs are used to deliver Prism™ to subscribers: fiber to the node (FTTN) and fiber to the premises (FTTP), but the quality of the cable communications service is of the same high, technical quality regardless of the underlying network architecture. For FTTN, CenturyLink deploys fiber from a serving central office to a remote terminal in a neighborhood. The remote terminal houses the electronics (currently VDSL2) and such electronics create a broadband stream to individual addresses of up to 40Mbps (80Mbps if using pair bonding) over a copper subloop. For FTTP, there is fiber connectivity from the serving central office to a distinct address/location via an optical loop terminal (OLT) and this fiber connection will support broadband speeds of up to One Gbps. A set-top box is required for each television in a home to receive Prism™. CenturyLink recently introduced a wireless set top box which enables the end user to move Prism™ to any location such as the patio or garage.

QC is the traditional telecommunications provider in the City of Richfield. It has and will continue to pull all necessary permits and comply with all local rules, codes and ordinances associated with access to and presence in the public rights of way.

Please see Exhibit B (TRADE SECRET).

1. The general area for location of antenna and headend, if known;

CenturyLink has two "super head ends", one located in Columbia, Missouri and one in Littleton, Colorado and each super head end has a satellite "farm" used to download national content. These two super head ends provide redundancy, i.e., should an emergency interrupt service at one super head end, and then the other head end will be used to provide the national content. The national content is encoded and then deployed over diverse 10 Gig fiber circuits to the local head where the local content, including public, educational and government access channels, is inserted for ultimate delivery to end users. The City of Richfield will be served out of the super head end is in Columbia, Missouri and the local head end will be located in Golden Valley, Minnesota. CenturyLink will pick up the local broadcast signals via fiber circuits and will also capture those signals by antennae located at the local head end as a back-up, precautionary measure.

2. The schedule for activating cable and two-way capacity;

While an exact launch date has yet to be determined, we are working diligently to complete all necessary work and required testing and operational readiness reviews to offer service to customers upon successful execution of a Franchise Agreement. Applicant will meet with Commission and appropriate member jurisdictions to share the actual launch date when it becomes finalized.

3. The type of automated services to be provided;

As noted above, we have attached a sample channel line up from another market. This illustrates the vast selection of content available to subscribers. Because our system is IP based, we offer unique applications available via the television set such as access to Picasa. In addition, search and streaming services are available which enable viewers to search for the cheapest gasoline within a specified area or to stream selected stock market quotes. We also have an ever increasing video on demand library. Prism™ is a state of the art offering and its features and functions also include, but are

not limited to: (1) whole home DVR; (2) warp speed channel change; (3) find-it fast navigation, (4) multi-view (4 shows on one screen); (5) personal media sharing; (6) interactive news and information dashboard; (7) Prism™ on the Go (select content available over mobile devices such as smart phones and tablets); and (8) advanced parental controls. By going to the following URL, you can "experience" the features and functions of Prism™ through a short demonstration: <http://www.centurylink.com/prismtv/ffindex.html>.

4. The number of channels and services to be made available for access cable broadcasting; and

Applicant will carry the same number of PEG stations as the incumbent. Further, Applicant is willing to carry any of the PEG stations in High Definition ("HD") format if the entity originating the signal provides that signal to Applicant in HD. Applicant will down convert the HD signals to standard definition ("SD") for those customers who may not subscribe to an HD package.

5. A schedule of charges for facilities and staff assistance for access cable broadcasting;

Franchisee will make all franchised cities' access channels available to its subscribers. For purposes of acquiring the signal, Franchisee will pick up the particular City's Access Channel signals at the point(s) of origination via a fiber facility and transport such content back to the local VSO for insertion in the channel lineup. At the point(s) of origination, Franchisee will need rack space and power for its equipment to receive the signal(s) handed off by the City to Franchisee. Franchisee will pay for all facilities and equipment located on its side of the demarcation point where the City will hand off its content to Franchisee and as is industry practice, the City will be responsible for all equipment on its side of the demarcation point.

One of the features available on Prism™ is "multi-view" -- we create a single channel/landing page for a category of shows, e.g., news, and make all the news channels available using picture in a picture technology. The end user can then click on the channel he or she wants to watch or watch four simultaneously. You can see a quick demonstration of this feature by clicking on the following URL:

<http://www.centurylink.com/prismtv/#prism-tv-virtual-test-drive.html>.

We will use this same technology to create a "multi-view" (also referred to as "mosaic") for the member Cities' Access Channels. In other words, we will work with the member cities to assign a channel placement/number for the

Access Channel mosaic so that all of the franchised member cities' Access Channels will be available on the "landing page" and an end user merely needs to click on the specific channel/picture in a picture to be seamlessly taken to the selected Access Channel in full screen view. Because each of the Access Channels has its own dedicated channel assignment, the channels are offered in the same video and audio quality as all other channels and can be recorded if so desired by an end user. Further, access to the member cities' Access Channels will not be limited to residents of a particular City. Rather, Prism™ subscribers throughout the area will have access to the various member cities' Access Channels and City residents will have access to other Cities' or Cable Commissions' Access Channels. This opens a vast array of viewing options for citizens.

Franchisee is willing to make all the franchised member cities' access channels available in high definition if the City hands them to Franchisee in that format. If so, Franchisee will down convert all such HD Access Channels to SD so they can be viewed by any end user not capable of receiving HD signals. As this relates to the multi-view screen for the Access Channels, Applicant's middleware will automatically know if a subscriber needs to see the channel in SD or HD and will automatically route the end user to the channel with the proper format.

With respect to video on demand, Franchisee will offer the cities a specified amount of space on its VOD servers, as will be specified in the franchise. This will enable viewers to go into the VOD library and to view, on an on-demand basis, any Access Channel content that the City has handed to Franchisee for storage on its VOD servers. Such VOD content hand off has a common industry standard which will be shared with the City when the terms of the franchise are negotiated and finalized.

D. Terms and conditions under which particular service is to be provided to governmental and educational entities.

Applicant will provide at no charge expanded basic service to all government buildings, schools, and public libraries located within its service footprint so long as those locations are capable of receiving service from Applicant and no other cable provider is providing service at such locations.

E. A schedule of proposed rates in relation to the services to be provided and a proposed policy regarding unusual or difficult connection of services.

Final rates have yet to be determined, please see "Exhibit C- sample Prism™ rates" which are offered here for illustrative purposes. CenturyLink will provide Prism service to all qualified households within seven days. CenturyLink does not have "non-standard" installation, i.e., the provision of service at an additional construction cost to the subscriber. Qualification for Prism™ service is purely a technical issue — it is not possible to pay an additional amount to qualify for the service.

F. A time schedule for construction of the entire system with the time sequence for wiring the various parts of the area requested to be served.

Applicant is still finalizing its initial footprint for the deployment of cable services within the City of Richfield service area. Applicant's planned deployment is highly confidential. Pursuant to an executed franchise agreement(s), Applicant will meet regularly with the City and the Commission to discuss where service is available and any plans for additional deployment. Applicant is the second entrant into the wireline video market in the City of Richfield. As a second entrant, investment in and expansion of Applicant's Cable System should be driven by market success, and not a contractual requirement for ubiquitous coverage.

The following sets forth some critical background with respect to deployment of both telecommunications and cable infrastructure. Initially, local telephone companies were granted monopolies over local exchange service in exchange for taking on a provider of last resort obligation— a duty to provide service – to customers in its service territory. Similarly, with respect to video services, the City of Richfield has given the incumbent video provider (and its predecessors) a monopoly over facilities based video. In exchange for making the capital investment to deploy facilities, the incumbent cable company got 100 percent of the customers who wanted cable television.

Subsequently, with respect to telephone services, the federal and local governments effectively eliminated the local telephone monopolies and fostered robust competition. It should be noted that in doing so, the telecom second entrant had absolutely no obligation to build any facilities or to serve any particular location(s) at all. As the FCC noted, imposing build-out requirements on new entrants in the telecommunications industry would constitute a barrier to entry (13 FCC Rcd 3460, 1997). Cable companies were free to enter the telecom market on terms that made business and economic sense to them. This very environment was the catalyst for robust

wireless and wireline competition and the proliferation of higher broadband speeds.

Congress became concerned about the lack of competition in the video world and in 1992 amended federal law to prohibit a local franchising authority from “unreasonably[y] refus[ing] to award an additional competitive franchise.” 47 U.S.C. § 541(a)(1) provides a direct avenue for federal court relief in the event of such an unreasonable refusal. 47 U.S.C. § 555(a) and (b). Until the advent, however, of state statutes granting statewide cable franchises without a mandatory build requirement (e.g., Florida) or progressive cities willing to grant competitive franchises, cable monopolies continued to the detriment of consumers and competition. Level playing field requirements are just one example of barriers to competitive entry erected by cities at the behest of the cable monopolies.

Courts have ruled, however, that “level playing field” provisions do not require identical terms for new entrants. See, for example, *Insight Communications v. City of Louisville*, 2003 WL 21473455 (Ky. Ct. App. 2003), where the court found:

There will never be an apple-to-apple comparison for Insight and other franchisee simply because Insight is the incumbent which in its own right and through its predecessors has been the exclusive provider of cable services in the City of Louisville for almost thirty years. No new cable franchisee can ever be in the same position as a thirty-year veteran.

See also, In Cable TV Fund 14-A, Ltd. v. City of Naperville (1997 WL 209692 (N.D. Ill); and *New England Cable Television Ass'n, Inc. v. Connecticut DPUC* 717 A.2d 1276 (1998).

In sharp contrast to the monopoly provider, a second entrant faces a significant capital outlay with absolutely no assurance of acquiring customers; rather, it must compete with the monopoly incumbent and win each and every customer over. As Professor Thomas Hazlett of George Mason University has explained, “[i]ncumbents advocate build-out requirements precisely because such rules tend to limit, rather than expand, competition.” The federal Department of Justice has also noted that “...consumers generally are best served if market forces determine when and where competitors enter. Regulatory restrictions and conditions on entry tend to shield incumbents from competition and are associated with a range of economic inefficiencies including higher production costs, reduced innovation, and distorted service choices.” (Department of Justice Ex Parte, May 10, 2006, FCC MB Dkt. 05-311).

The fact is that the incumbent cable provider has (1) an established market position; (2) all of the cable customers; and (3) an existing, in-place infrastructure. These disparate market positions make imposing a build-out requirement on a competitive entrant bad public policy. Under the guise of “level playing field” claims, incumbent cable operators seek to require new entrants to duplicate the networks the incumbents built as monopolies, knowing that such a requirement will greatly reduce, if not eliminate, the risk of competitive entry.

In 2007, the FCC issued its findings with respect to facilities based video competition and held as follows: (1) with respect to level playing field requirements, the FCC stated that such mandates “unreasonably impede competitive entry into the multichannel video marketplace by requiring local franchising authorities to grant franchises to competitors on substantially the same terms imposed on the incumbent cable operators (Para. 138); and (2) with respect to mandatory build out, the FCC held that “an LFA’s refusal to grant a competitive franchise because of an applicant’s unwillingness to agree to unreasonable build out mandates constitutes an unreasonable refusal to award a competitive franchise within the meaning of Section 621(a)(1) [47 U.S.C. § 541(a)(1)].”

Those two FCC holdings alone should put this entire matter to rest – level playing field requirements and unreasonable mandatory build requirements are barriers to competitive entry in the cable market and violate the federal Cable Act and the FCC’s order. Minnesota, however, codified its requirements in a state law and the FCC expressly declined to “preempt” state laws addressing the cable franchising process.

It is clear, however, that the FCC did not intend to protect the Minnesota statute which mandates the imposition of barriers to entry on each and every local franchising authority. As various providers were trying to enter the competitive cable market and encountering barriers such as level playing field requirements and mandatory build out provisions, many states passed statutes to facilitate competitive entry and to prevent local franchising authorities from erecting barriers to entry. Such laws were passed in 26 states including Florida, Missouri and North Carolina, where CenturyLink has taken advantage of the streamlined process to enter a market without a mandatory build obligation. These laws have facilitated competitive entry as evidenced, for example, by the presence of four facilities based competitors in the Orlando, Florida market, including CenturyLink and Comcast. As such, these state laws are aligned and not in conflict with the FCC’s and Congress’ policies for promoting competition in the video distribution market.

Minnesota's cable law, however, is quite the opposite. Minnesota's cable act dates back to the 1970s and directs each local franchising authority to impose not only a level playing field across a broad range of issues (many of which Franchisee does not oppose), but also a five year mandatory build out requirement. Both of these provisions have been deemed to be barriers to entry by the FCC. The incontrovertible fact is that the law has been extremely successful in barring cable communications competition in the City of Richfield: The City of Richfield has not experienced any facilities based competition because of the barriers to entry Minnesota codified in Chapter 238.

In support of this position, that the FCC's 2007 Order preempts Minn. Stat. Chapter 238, Franchisee notes the following:

- Conflict preemption: State law may be preempted without express Congressional authorization to the extent it actually conflicts with federal law where state law "stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress" *English v. General Elec. Co.*, 496 U.S. 72,79 (1990).
- Whether state law constitutes a sufficient obstacle is a matter of judgment to be informed by examining the federal statute as a whole and identifying its purpose and intended effects. *Crosby v. Nat'l Foreign Trade Council*, 530 U.S. 363,372 (2000).
- Minn. Stat. § 238.08 mandates terms that each municipality must implement in granting a new or renewed cable franchise.
- Minn. Stat. § 238.084 sets forth the required contents of a franchise ordinance and sets forth very precise requirements in an initial franchise about the build: commence build within 240 days; must construct at least 50 plant miles per year; construction throughout the franchise area must be substantially completed within 5 years of granting the franchise; and these requirements can be waived by the franchising authority only upon occurrence of unforeseen events or acts of God.
- Section 621(a)(1) initially gave local authorities the authority to grant franchises, but this broad grant resulted in exclusive franchises/monopolies. Congress "believe[d] that exclusive franchises are contrary to federal policy . . . which is intended to promote the development of competition. H.R. Conf. Rep. No. 102-862, at 77 (1992)
- Legislative history clearly supports that Congress was focused on fostering competition when it passed the 1992 Act. *Qwest Broadband Servs. Inc. v. City of Boulder*, 151 F. Supp. 1236, 1244 (D. Colo. 2001).

- In its 2007 order, the FCC found that “an LFA’s refusal to grant a competitive franchise because of an applicant’s unwillingness to agree to unreasonable build out mandates constitutes an unreasonable refusal to award a competitive franchise within the meaning of Section 621(a)(1).” The FCC order, however, targeted local and not state laws.
- Arguably, the Minnesota build requirements set forth in Section 238.084(m) are in conflict with Section 621(a)(1) and are, therefore, preempted.
In the Boulder case, the court applied Section 621’s prohibition on unreasonable refusals to grant franchises to find conflict preemption where local rules required voter approval for any new franchises.
- The mandatory build out in the Minnesota statute could be considered a de facto “unreasonable refusal” to grant a franchise and thus conflict with the pro-competition purpose set forth in 621(a)(1).
- In upholding the FCC’s ruling, the Sixth Circuit stated that “while the [FCC] characterized build out requirements as ‘eminently sensible’ under the prior regime in which cable providers were granted community-wide monopolies, under the current, competitive regime, these requirements ‘make entry so expensive that the prospective . . . provider withdraws its application and simply declines to serve any portion of the community.’ *Alliance for Cmty Media v. FCC*, 529 F.3d 763, 771 (6th Cir. 2008).
- The FCC ruling targeted local rules and actions and the FCC refrained from preempting state regulation because it lacked “a sufficient record to evaluate whether and how such state laws may lead to unreasonable refusals to award additional competitive franchises.” FCC Cable Franchising Order (FCC 06-180, at n.2 & ¶ 126). That is not to say, however, that upon full consideration, the FCC would not find the Minnesota mandatory build requirements to constitute an unreasonable refusal under Section 621.
 - The franchising laws which were being enacted about the time of the FCC order facilitated competitive entrants into the facilities based video market.
 - In sharp contrast, the Minnesota statutes mandates individual cities and commissions to include onerous build out schedules which, standing alone, would run afoul of the FCC’s order.

It should also be noted that at least two cities in Minnesota have chosen to award competitive franchises to second entrants without satisfying all the mandates of Chapter 238. *See Mediacom Minnesota, LLC v. City of Prior Lake*,

Minn. Ct. of Appeals, A09-1379 (Unpublished decision, Filed June 22, 2010). In October 2014, the City of Owatonna awarded a competitive franchise to a second provider, and the franchise did not contain the five year build requirement set forth in Chapter 238. Rather, it contained a market success model expressly endorsed by the FCC. The competitor will provide service to 25 percent of the City of Owatonna and will have no further obligation to enable the provision of cable communications services until 48 percent of households in the footprint subscribe to its service.

Finally, nothing in the FCC's Order on Reconsideration released in January of this year alters the above analysis.

G. A statement indicating the applicant's qualifications and experience in the cable communications field, if any.

CenturyLink has been offering Prism™ since 2008, when it initially launched its service in Lacrosse, Wisconsin, and has continued to expand its Prism™ footprint since that time. Prism™ is currently available in 14 markets. The attached Exhibit D is a list of the jurisdictions in which CenturyLink offers Prism™ pursuant to either statewide franchise statutes or locally negotiated, competitive franchises. In addition, the Company offers an analog product in smaller markets in Wisconsin and Iowa.

CenturyLink has upgraded and/or deployed new facilities, including fiber to the premises, so that it is capable of offering service to over 2.4 million homes. CenturyLink has approximately 240,000 Prism™ customers and continues to bring on new subscribers daily.

Tyler Middleton is the Vice President of Operations for Minnesota. His team includes more than 500 technicians, 200 of whom are being cross-trained to install and support Prism. There is a wide array of employees performing various functions in support of Prism™ in the Twin Cities, including approximately 100 engineers who will be working under Mr. Middleton's leadership to design and support the infrastructure that enables Prism™.

Trent Clausen is the Vice President of Construction for the Midwest Region. He has held a variety of leadership positions in the network organization over the past 16 years, including positions managing and leading capital planning, field construction, local engineering, dispatch operations, and installation and maintenance operations. His team successfully upgraded the network in Omaha to support the launch of Prism™ there in 2013 and will be responsible, working closely with Mr. Middleton's team, to construct the network to support Prism™ in Minneapolis and the Twin Cities metropolitan area.

There are three essential corporate divisions which support the provision of Prism™ to end users: Global Operations and Shared Services, Global Markets and Product Development and Technology.

The Global Operations and Shared Services organization is led by Executive Vice President Maxine Moreau. A 30-year veteran of telecommunications, Maxine Moreau brings a depth of knowledge and experience in network services, operations, IT and process improvement to her role as Executive Vice President of Global Operations and Shared Services. She is responsible for operational excellence through the end-to-end planning, engineering, construction, operation and maintenance of CenturyLink's global network, as well as regional operations and hosting data centers. Moreau oversees network enablement that currently provides commercial 100Gbps services to businesses for high-bandwidth needs as well as the deployment of 1Gbps fiber networks in certain markets, including Minneapolis for both consumer and business customers. Members of her team will staff the VSO in Golden Valley.

Maxine Moreau's team is responsible for the engineering, planning and deployment of all network infrastructure, including the infrastructure on a national and local basis for the delivery of Prism™. In addition, organizations responsible for data and video operations report up to Maxine. These centers, from an operational perspective, constantly monitor and repair, if necessary, the entire network including the facilities used in the provision of Prism™.

The Global Markets organization is led by President Karen Puckett. With 30 years of telecommunications experience, Karen Puckett is an industry veteran with proven success in the integration of complex operations, the achievement of industry-leading financial and operational performance, and the creation of a company culture that is focused on accountability, innovation and growth. As CenturyLink's Chief Operating Officer, Puckett is responsible for the company's financial and operational performance in the business and consumer segments. She leads marketing, sales, service delivery, care and customer experience initiatives for all business and consumer customers and the implementation of the local operating model in the company's local service areas in 37 states. Puckett has been at the forefront of CenturyLink's transformation from a local telephone exchange company serving rural and mid-sized markets to an industry leader in advanced communications services with customers throughout the United States and overseas. Her visionary leadership has been instrumental in the company's ability to thrive in the new arenas of cloud, data hosting and managed services, as well as facilities based switched digital video service while maintaining its focus on operational excellence and financial strength.

Puckett led the 2001 companywide realignment to the local operating model, placing decision making closer to the customer and making the company more responsive to the marketplace. The model has consistently resulted in financial and operational improvements as CenturyLink has acquired new markets.

As it relates to Prism, Karen Puckett's organization owns the customer experience in terms of sales and repairs. There are five call centers which provide support for consumer sales, including Prism™. These centers are located in Sioux City, Iowa; Idaho Falls, Idaho; Boise, Idaho; Midvale, Utah; and Phoenix, Arizona.

The Product Development and Technology organization is led by Executive Vice President and Chief Technology Officer, Aamir Hussain. Hussain is an experienced senior technology executive with more than 23 years of proven success in the implementation of global technology operations, operationalization of complex technology, infrastructures, and business solutions while driving capital cost efficiencies in the business. Hussain and his team are responsible for the design and delivery of next generation products, services and technologies critical to achieving CenturyLink's strategic growth priorities, including Prism. Hussain has a diverse background in data, security, voice, video and wireless technologies. Prior to joining CenturyLink, he held senior leadership roles at Liberty Global, Covad, TELUS and Qwest. Hussain sits on several startup and non-profit boards, is technical advisor to technology companies and holds 11 patents in Telecommunications. In addition, he has completed leadership, innovation and strategy training from Harvard, the INSEAD institute in France and the International School of Business Management in Switzerland.

Aamir's team is charged with constantly working to implement new technologies and innovations to enhance the customer experience across the entire suite of CenturyLink products, including Prism.

Glenn Garbelman serves as the Vice President of the Video Operations at CenturyLink, and is based in Monroe, Louisiana. He currently has day-to-day operational responsibility for all video services, which is currently serving 240,000 Prism™ customers with more than 150 employees on his team. Prior to joining CenturyLink, he was part of a large communications company that successfully launched and supported IPTV video in over 70 markets throughout the United States. He has more than 25 years of experience in the industry with the last 10 focused on video products and services over an IP network.

Sandeep Bhalla is the Director of Video Technical Operations. Responsible for the daily operations of CenturyLink Video Services, Sandeep oversees the

Video Operations staff and ensures the integrity of operations and processes. With 19 years of technical experience and 10 years of video, Sandeep has served as a CenturyLink representative to national and international forums related to next generation video services. Prior to joining CenturyLink, Sandeep was a Manager of Head End Implementation for a large communications company. Sandeep holds a BA from the University of California Berkley.

Charles Becker is the Manager Video Operations IPTV responsible for all headends based out of Denver, Colorado. The Video Headend Team is responsible for the operation and acquisition of all video content served by the Prism platform both local and national. The team maintains and operates 17 headends located in 13 states across the country. This team supports new market builds, preventative maintenance, outage resolution and proactively supports the video monitoring teams in outage resolution. Charles is a 35 year veteran of the video industry and 9 year employee of CenturyLink.

Steve Epstein is a Senior Lead Engineer –Managing for CenturyLink. Steve was the initial member of the CenturyLink Video team and brings 35 years of broadcast experience to CenturyLink. In addition to being Chief Engineer at several television stations, Steve was the technical editor of Broadcast Engineering magazine. Steve is an SBE certified professional broadcast engineer and holds a BS in Broadcasting.

- H. An identification of the municipalities (including contact information for the municipal officials in each community) in which the applicant either owns or operates a cable communications system, directly or indirectly, or has outstanding franchises for which no system has been built.**

Please see Exhibit D for a list of jurisdictions Applicant or affiliate of Applicant holds a cable franchise agreement pursuant either to local agreement or statewide franchise authority.

- I. Plans for financing the proposed system, which must indicate every significant anticipated source of capital and significant limitations or conditions with respect to the availability of the indicated sources of capital. This information should include:**

1. Current financial statement

Applicant's ultimate parent company is CenturyLink, Inc. CenturyLink's most recent Form 10-K (along with all other SEC filings) may be found here: <http://ir.centurylink.com/docs.aspx?iid=4057179>

2. Proposed sources and uses of funds for the construction project

Applicant's ultimate parent company is CenturyLink, Inc. which is a Fortune 500 Company (currently around Fortune 150) with annual operating revenues exceeding 18 Billion Dollars in 2013. Applicant does not require any unique or additional funding sources (i.e. special notes or bonds) in order to deploy its Prism™ service in this, or any other market.

3. Financial budgets for the next three (3) years;

See response to I (4) below

4. Documentation regarding the commitment of funds; and

As a publicly traded Company, CenturyLink releases a very limited amount of forward-looking information for the company as a whole, but it does not provide forward-looking information at the individual market level because it could lead to incorrect or inappropriate assumptions or conclusions by its current and potential investors regarding the business as a whole. Given the extremely sensitive nature of the information contained in the requested proforma, applicant cannot file this information as part of its application.

5. Any other information that applicant determines would be useful in evaluating its financial qualifications.

Please see response to I (1) above

J. A statement of ownership detailing the corporate organization of the applicant, if any, including the names and addresses of officers and directors and the number of shares held by each officer or director, and intercompany relationship, including the parent, subsidiary or affiliated company.

Applicant's ultimate parent company is CenturyLink, Inc., a Louisiana corporation headquartered in Monroe, Louisiana, and, through its subsidiaries, owns 100% of Qwest Broadband Services, Inc. d/b/a CenturyLink. A more detailed corporate structure is depicted on the attached Exhibit E. On April 21, 2010, CenturyLink, Inc. reached an agreement to purchase Qwest Communications International, Inc. ("QCII") through a tax-free, stock-for-stock transaction. Under the terms of the parties' merger agreement, CenturyLink, Inc. is the ultimate parent of QCII and the subsidiaries that were under QCII. At the time of the merger between CenturyLink and Qwest Communications International, Inc., Franchisee was a wholly-owned subsidiary of Qwest Services Corporation, Inc. as was Qwest Corporation, the entity which places facilities in the City's public rights of way pursuant to the City's ordinances and associated rules. Further, at merger, Franchisee was a member of the National Cable Television Cooperative ("NCTC") as was the CenturyLink entity which offers Prism in legacy CenturyLink markets, e.g., Florida. Because the NCTC expressly forbids more than one entity within a corporate family to belong to

and directly obtain content from the NCTC and because any affiliated entity receiving content from the NCTC must be a wholly-owned subsidiary of the NCTC member, CenturyLink, Inc. moved Franchisee from being a subsidiary of Qwest Services Corporation to being a subsidiary of CenturyTel Broadband Services, LLC. As provided in the original application filed with the City, the following sets forth the officers and directors of Franchisee. This group of officers and directors do not own any shares of the franchisee.

Qwest Broadband Services, Inc. (Delaware Domestic)

Directors: R. Stewart Ewing, Jr.
Stacey W. Goff

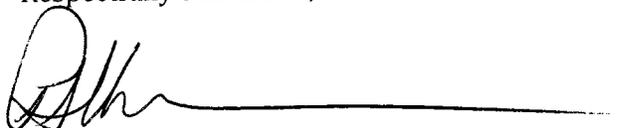
Officers:

Chief Executive Officer and President	Glen F. Post, III
President Global Markets	Karen A. Puckett
Executive Vice President and Chief Financial Officer	R. Stewart Ewing, Jr.
Executive Vice President, General Counsel	Stacey W. Goff
President IT Services and New Market Development	Girish Varma
Vice President – Public Policy and Government Relations	James P. Campbell
President – Wholesale Operations	William E. Cheek
Executive Vice President – Controller and Operations Support	David D. Cole
Executive Vice President – Network Services	Maxine Moreau
Vice President and Treasurer	Glynn E. Williams, Jr.
Vice President	Jonathan J. Robinson
Secretary	Kay Buchart
Assistant Secretary	Joan E. Randazzo
Assistant Secretary	Meagan E. Messina

K. A notation and explanation of omissions or other variations with respect to the requirements of the proposal.

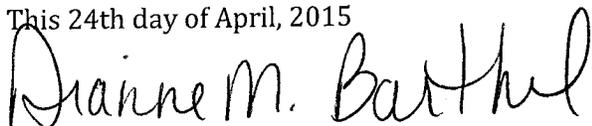
None at this time

Respectfully Submitted,



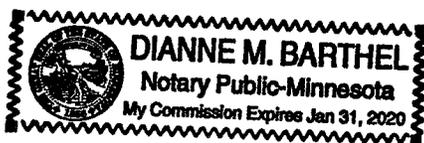
Qwest Broadband Services, Inc. d/b/a CenturyLink
By: Patrick Haggerty

Subscribed and sworn to before me
This 24th day of April, 2015



Notary Public

My Commission Expires: Jan 31, 2020





Phoenix Channel Lineup

Contact CenturyLink

Sales: 877-299-0172

Support: 866-314-4148

Prism™ Essential

3	3TV (KTVK)	1129	FX HD	1045	My Network TV HD (KUTPDT)
1003	3TV HD (KTVKDT)	129	FX	1266	National Geographic Channel HD
1167	A&E HD	1131	FX HD	266	National Geographic Channel
167	A&E	131	FX	12	NBC (KPNX)
15	ABC (KNXV)	4004	Galavision HD	1012	NBC HD (KPNXDT)
1179	ABC Family HD	3004	Galavision	1640	NBC SN HD
179	ABC Family	36	GetTV (KFPHDT2)	640	NBC SN
1015	ABC HD (KNXVDT)	1641	Golf Channel HD	20	NBC Weather Plus (KPNXDT2)
1796	AMC HD	641	Golf Channel	1630	NFL Network HD
796	AMC	1176	Hallmark Channel HD	630	NFL Network
16	Antenna TV (KNXVDT2)	176	Hallmark Channel	629	NFL RedZone (Pay Per View)
1105	AXS TV	1106	HDNet Movies	1629	NFL RedZone HD (Pay Per View)
13	AZ-TV (KAZT)	1451	HGTV HD	1638	NHL Network HD
1013	AZ-TV HD (KAZTDT)	451	HGTV	638	NHL Network
41	Azteca America (KPDFCA)	271	History	1314	Nickelodeon HD
310	Baby First TV	1203	HLN HD	314	Nickelodeon
1156	BET HD	203	HLN	1368	Oxygen HD
156	BET	1422	Home Shopping Network HD	368	Oxygen
1222	Bloomberg HD	19	Home Shopping Network	1683	PAC 12 Arizona HD
222	Bloomberg	422	Home Shopping Network	683	PAC 12 Arizona
327	Boomerang	1261	ID HD	106	Pay Per View Events HD
1182	Bravo HD	261	ID	1101	Pay Per View Events HD
182	Bravo	51	ION (KPPX)	101	Pay Per View Events
1650	BTN HD	1051	ION HD (KPPXDT)	8	PBS Eight (KAET)
650	BTN	1428	Jewelry Television HD	1008	PBS Eight HD (KAETDT)
1651	BTN2 HD	17	Jewelry Television	8006	Phoenix Educational Access
651	BTN2	428	Jewelry Television	8005	Phoenix Government Access
1652	BTN3 HD	1168	Justice Central HD	8014	Pinal County Government Access
652	BTN3	168	Justice Central	9161	Premier League Extra Time 1 HD
1230	C-SPAN HD	4	KPHO Weather Now (KPHODT2)	9151	Premier League Extra Time 1
230	C-SPAN	1361	Lifetime HD	9162	Premier League Extra Time 2 HD
1231	C-SPAN2 HD	361	Lifetime	9152	Premier League Extra Time 2
231	C-SPAN2	364	Lifetime Real Women	9163	Premier League Extra Time 3 HD
1327	Cartoon Network HD	1362	LMN HD	9153	Premier League Extra Time 3
326	Cartoon Network	362	LMN	9164	Premier League Extra Time 4 HD
5	CBS (KPHO)	5129	MC ?70s	9154	Premier League Extra Time 4
1005	CBS HD (KPHODT)	5128	MC ?80s	9165	Premier League Extra Time 5 HD
411	CenturyLink Information	5127	MC ?90s	9155	Premier League Extra Time 5
1411	CenturyLink Information	5116	MC Adult Alternative	90	Prism Applications
8015	City of Casa Grande	5115	MC Alternative	92	Prism Games
8003	City of Chandler Educational Access	5146	MC Blues	301	Prism Kids
8002	City of Chandler Government Access	5134	MC Classic Country	201	Prism News
8004	City of Gilbert Government Access	5118	MC Classic Rock	11	Prism PEG Channels
8007	City of Glendale Government Access	5149	MC Classical Masterpieces	601	Prism Sports
8008	City of Maricopa Government Access	5135	MC Contemporary Christian	1420	QVC HD
8010	City of Mesa Educational Access	5133	MC Country Hits	18	QVC
8011	City of Mesa Government Access	5103	MC Dance	420	QVC
8009	City of Peoria Government Access	5148	MC Easy Listening	1799	Reelz Channel HD
8001	City of Scottsdale Government Access	5111	MC Gospel	799	Reelz Channel
8013	City of Surprise Government Access	5105	MC Hip-Hop and R&B	1424	ShopHQ HD
8012	City of Tempe Government Access	5107	MC Hip-Hop Classics	424	ShopHQ
1526	CMT HD	5101	MC Hit List	1146	Spike TV HD
526	CMT	5104	MC Indie	146	Spike TV
1216	CNBC HD	5145	MC Jazz	1337	Sprout HD
216	CNBC	5124	MC Kidz Only!	337	Sprout
1202	CNN HD	5150	MC Light Classical	1152	Syfy HD
202	CNN	5120	MC Love Songs	152	Syfy
1141	Comedy Central HD	5114	MC Metal	21	TBN (KPAZ)
141	Comedy Central	5138	MC Mexicana	1560	TBN HD
48	Daystar (KDTP)	5137	MC Musica Urbana	560	TBN
1121	Discovery Channel HD	5122	MC Party Favorites	1113	TBS HD
121	Discovery Channel	5131	MC Pop Country	113	TBS
1303	Disney Channel HD	5121	MC Pop Hits	5123	Teen MC
303	Disney Channel	5136	MC Pop Latino	39	Telemundo (KTAZ)
9999	DVR	5102	MC Pop Rhythmic	3007	Telemundo (KTAZ)
8016	Dysart Schools Educational Access	5109	MC R&B Classics	1039	Telemundo HD (KTAZDT)
1134	E! HD	5110	MC R&B Soul	6	The CW (KASW)
135	E!	5106	MC Rap	1006	The CW HD (KASWDT)
9	Eight Life (KAETDT2)	5112	MC Reggae	1225	The Weather Channel HD
7	Eight World (KAETDT3)	5117	MC Rock Hits	225	The Weather Channel
603	ESPN Classic	5113	MC Rock	2	This TV (KTVKDT2)
1602	ESPN HD	5140	MC Romances	1251	TLC HD
27	ESPN	5147	MC Singers & Swing	251	TLC
602	ESPN	5144	MC Smooth Jazz	1109	TNT HD
1606	ESPN2 HD	5119	MC Soft Rock	109	TNT
28	ESPN2	5130	MC Solid Gold Oldies	1255	Travel Channel HD
606	ESPN2	5141	MC Sounds of the Seasons	255	Travel Channel
1562	EWTN HD	5143	MC Soundscapes	1164	truTV HD
562	EWTN	5142	MC Stage & Screen	165	truTV
40	Exitos (KTAZDT2)	5108	MC Throwback Jams	1139	TV Land HD
1453	Food Network HD	5132	MC Today?s Country	139	TV Land
453	Food Network	5125	MC Toddler Tunes	44	TV44 (KPHELD)
10	FOX (KSAZ)	5139	MC Tropicales	35	UniMas (KFPH)
1010	FOX HD (KSAZDT)	5126	MC Y2K	4005	UniMas HD
1210	FOX News Channel HD	14	Me-TV (KAZTDT2)	33	Univision (KTVW)
210	FOX News Channel	1634	MLB Network HD	1033	Univision HD (KTVWDT)
1620	FOX Sports 1 HD	634	MLB Network	1125	USA Network HD
620	FOX Sports 1	46	Movies! (KUTPDT2)	125	USA Network
9002	FOX Sports Pay Per View HD	1215	MSNBC HD	1102	Velocity HD
9001	FOX Sports Pay Per View	215	MSNBC	1519	VH1 HD
1762	FS Arizona HD	1503	MTV HD	519	VH1
1763	FS Arizona Plus HD	503	MTV	1	Video On Demand
763	FS Arizona Plus	193	Mun2	1180	WGN HD
762	FS Arizona	45	My Network TV (KUTP)	180	WGN

Prism™ Complete

Exhibit A

Includes Prism™ Essential Plan channels.

1259	American Heroes Channel HD	381	Esquire TV	505	MTV2
259	American Heroes Channel	1211	FOX Business Network HD	315	Nick 2
1253	Animal Planet HD	211	FOX Business Network	1320	Nick Jr HD
253	Animal Planet	647	FOX College Sports Atlantic	320	Nick Jr
1188	BBC America HD	648	FOX College Sports Central	1316	Nicktoons HD
188	BBC America	649	FOX College Sports Pacific	316	Nicktoons
567	BYU TV	1621	FOX Sports 2 HD	1185	NUVOtv HD
1643	CBS Sports HD	621	FOX Sports 2	185	NUVOtv
643	CBS Sports	1535	Fuse HD	1256	Oprah Winfrey Network HD
515	Centric	535	Fuse	257	Oprah Winfrey Network
153	Chiller	1792	FX Movie Channel HD	1680	Outdoor Channel HD
161	Clo	792	FX Movie Channel	680	Outdoor Channel
527	CMT Pure Country	1272	FYI HD	1531	Ovation HD
1456	Cooking Channel HD	272	FYI	531	Ovation
456	Cooking Channel	1529	Great American Country HD	1258	SCIENCE HD
1465	Destination America HD	529	Great American Country	258	SCIENCE
465	Destination America	1174	GSN HD	1642	Sportsman Channel HD
1335	Discovery Family HD	174	GSN	642	Sportsman Channel
335	Discovery Family	1274	H2 HD	322	Teen Nick
1307	Disney Junior HD	274	H2	507	Tr3s
307	Disney Junior	1794	Hallmark Movies & Mysteries HD	1790	Turner Classic Movies HD
1305	Disney XD HD	794	Hallmark Movies & Mysteries	790	Turner Classic Movies
305	Disney XD	1797	IFC HD	1157	TV One HD
1454	DIY Network HD	798	IFC	157	TV One
454	DIY Network	564	Inspiration Network	1104	Universal HD
1604	ESPN News HD	466	Life	521	VH1 Classic
604	ESPN News	184	Logo	522	VH1 Soul
1605	ESPNU HD	509	MTV Hits	1372	WE tv HD
605	ESPNU	510	MTV U	373	WE tv
1380	Esquire TV HD	1505	MTV2 HD	132	Youtoo America

Prism™ Preferred

Includes Prism™ Complete Plan channels.

220	Al Jazeera America	1172	MyDestination.TV HD	1852	Showtime HD (E)
159	ASPIRE	172	MyDestination.TV	1853	Showtime HD (W)
1470	AWE HD	1264	NASA TV HD	864	Showtime Next (E)
470	AWE	264	NASA TV	865	Showtime Next (W)
1219	BBC World News HD	1267	Nat Geo Wild HD	1864	Showtime Next HD (E)
219	BBC World News	267	Nat Geo Wild	1865	Showtime Next HD (W)
1540	Blue Highways TV HD	1209	One America News Network HD	880	Showtime On Demand
540	Blue Highways TV	209	One America News Network	1880	Showtime On Demand
1232	C-SPAN3 HD	1678	Outside TV HD	856	Showtime Showcase (E)
232	C-SPAN3	678	Outside TV	857	Showtime Showcase (W)
1169	Cars.TV HD	1684	PAC 12 Bay Area HD	1856	Showtime Showcase HD (E)
169	Cars.TV	684	PAC 12 Bay Area	1857	Showtime Showcase HD (W)
217	CNBC World	1685	PAC 12 Los Angeles HD	866	Showtime Women (E)
205	CNNi	685	PAC 12 Los Angeles	867	Showtime Women (W)
1142	Comedy.TV HD	1686	PAC 12 Mountain HD	1866	Showtime Women HD (E)
142	Comedy.TV	686	PAC 12 Mountain	1867	Showtime Women HD (W)
1163	Crime & Investigation HD	1687	PAC 12 Oregon HD	118	Smithsonian Channel (E)
163	Crime & Investigation	687	PAC 12 Oregon	119	Smithsonian Channel (W)
263	DoD News	1688	PAC 12 Washington HD	1118	Smithsonian Channel HD (E)
932	ENCORE (E)	688	PAC 12 Washington	1119	Smithsonian Channel HD (W)
933	ENCORE (W)	1682	PAC12 Network HD	1791	Sony Movie Channel HD
938	ENCORE Action (E)	682	PAC12 Network	791	Sony Movie Channel
939	ENCORE Action (W)	1170	Pets.TV HD	902	Starz! (E)
1938	Encore Action HD (E)	170	Pets.TV	903	Starz! (W)
942	ENCORE Black (E)	1492	Pivot HD	908	Starz! Cinema (E)
943	ENCORE Black (W)	492	Pivot	909	Starz! Cinema (W)
1942	Encore Black HD (E)	1787	PixL HD	1908	Starz! Cinema HD (E)
934	ENCORE Classic (E)	787	PixL	910	Starz! Comedy (E)
935	ENCORE Classic (W)	1458	Recipe.TV HD	911	Starz! Comedy (W)
1934	ENCORE Classic HD (E)	458	Recipe.TV	1910	Starz! Comedy HD (E)
946	ENCORE Espanol	1916	Retroplex HD	904	Starz! Edge (E)
944	ENCORE Family (E)	916	Retroplex	905	Starz! Edge (W)
945	ENCORE Family (W)	1538	Revolt HD	1904	Starz! Edge HD
1932	Encore HD (E)	538	Revolt	1902	Starz! HD (E)
1933	Encore HD (W)	1476	RFD TV HD	1903	Starz! HD (W)
951	ENCORE On Demand	476	RFD TV	906	Starz! In Black (E)
1951	Encore On Demand	474	RLTV	907	Starz! In Black (W)
936	ENCORE Suspense (E)	1607	SEC Network HD	1906	Starz! In Black HD
937	ENCORE Suspense (W)	1608	SEC Network Overflow 1 HD	912	Starz! Kids and Family (E)
1936	ENCORE Suspense HD (E)	608	SEC Network Overflow 1	913	Starz! Kids and Family (W)
940	ENCORE Westerns (E)	1609	SEC Network Overflow 2 HD	1912	Starz! Kids and Family HD
941	ENCORE Westerns (W)	609	SEC Network Overflow 2	931	Starz! On Demand
1133	ES.TV HD	607	SEC Network	1931	Starz! On Demand
133	ES.TV	1789	Shorts HD	575	The Word Network
890	Flix (E)	789	Shorts	882	TMC (E)
892	Flix On Demand	852	Showtime (E)	883	TMC (W)
1892	Flix On Demand	853	Showtime (W)	1882	TMC HD (E)
1656	Go! TV HD	854	Showtime 2 (E)	1883	TMC HD (W)
656	Go!TV (English)	855	Showtime 2 (W)	888	TMC On Demand
672	HRTV	1854	Showtime 2 HD (E)	1888	TMC On Demand
1914	Indieplex HD	1855	Showtime 2 HD (W)	884	TMC Xtra (E)
914	Indieplex	860	Showtime Beyond (E)	885	TMC Xtra (W)
1590	Jewish Broadcasting Service HD	861	Showtime Beyond (W)	1884	TMC Xtra HD (E)
590	Jewish Broadcasting Service	1860	Showtime Beyond HD (E)	1885	TMC Xtra HD (W)
1147	MAVTV HD	1861	Showtime Beyond HD (W)	670	TVG
147	MAVTV	858	Showtime Extreme (E)	644	Universal Sports
1116	MGM HD	859	Showtime Extreme (W)	1644	Universal Sports HD
116	MGM	1858	Showtime Extreme HD (E)	1559	UP HD
276	Military History	1859	Showtime Extreme HD (W)	559	UP
1788	MOVIEPLEX HD	862	Showtime Family (E)	1679	World Fishing Network HD
788	MOVIEPLEX	863	Showtime Family (W)	679	World Fishing Network

Prism™ Premium

Includes Prism™ Preferred Plan channels.

1840	5 Star Max HD	811	HBO Comedy (W)	812	HBO Zone (E)
840	5 Star Max	1810	HBO Comedy HD (E)	813	HBO Zone (W)
836	ActionMAX (E)	1811	HBO Comedy HD (W)	1812	HBO Zone HD (E)
837	ActionMAX (W)	806	HBO Family (E)	1813	HBO Zone HD (W)
1836	ActionMAX HD (E)	807	HBO Family (W)	1804	HBO2 HD (E)

1837	ActionMAX HD (W)	1806	HBO Family HD (E)	1805	HBO2 HD (W)
1846	Cinemax?x HD	1807	HBO Family HD (W)	834	MoreMAX (E)
846	Cinemax?x	1802	HBO HD (E)	835	MoreMAX (W)
832	Cinemax (E)	1803	HBO HD (W)	1834	MoreMax HD (E)
833	Cinemax (W)	814	HBO Latino (E)	1835	MoreMax HD (W)
1832	Cinemax HD (E)	815	HBO Latino (W)	1842	Movie MAX HD
1833	Cinemax HD (W)	1814	HBO Latino HD (E)	842	MovieMAX
850	Cinemax On Demand	1815	HBO Latino HD (W)	1844	Outer Max HD
1850	Cinemax On Demand	830	HBO On Demand	844	OuterMAX
802	HBO (E)	1830	HBO On Demand	838	ThrillerMAX (E)
803	HBO (W)	808	HBO Signature (E)	839	ThrillerMAX (W)
804	HBO 2 (E)	809	HBO Signature (W)	1838	ThrillerMax HD (E)
805	HBO 2 (W)	1808	HBO Signature HD (E)	1839	ThrillerMax HD (W)
810	HBO Comedy (E)	1809	HBO Signature HD (W)		

Premium Packages Available as Add-ons:

Preferred and Premium plans include select Add-on Channels.

Cinemax Add-on Package

1840	5 Star Max HD	833	Cinemax (W)	1842	Movie MAX HD
840	5 Star Max	1832	Cinemax HD (E)	842	MovieMAX
836	ActionMAX (E)	1833	Cinemax HD (W)	1844	Outer Max HD
837	ActionMAX (W)	850	Cinemax On Demand	844	OuterMAX
1836	ActionMAX HD (E)	1850	Cinemax On Demand	838	ThrillerMAX (E)
1837	ActionMAX HD (W)	834	MoreMAX (E)	839	ThrillerMAX (W)
1846	Cinemax?x HD	835	MoreMAX (W)	1838	ThrillerMax HD (E)
846	Cinemax?x	1834	MoreMax HD (E)	1839	ThrillerMax HD (W)
832	Cinemax (E)	1835	MoreMax HD (W)		

International-AI-Carte Add-on Package

3740	Al Jazeera America	3682	Filipino on Demand	3703	TV Asia
3710	Bollywood Hits on Demand	3802	Rai Italia	3680	TV Japan
3882	Channel One Russia	3704	Sony Entertainment Television Asia (SET Asia)	3832	TV5 Monde
3603	China Central TV	3706	STAR India PLUS	3702	Zee TV
3604	CTI-Zhong Tian Channel	3681	The Filipino Channel		

Paquete Latino Add-on Package

3146	Bandamax	3102	Discovery en Espanol	3056	La Familia Cosmovision
3053	Boomerang en Espanol	3103	Discovery Familia	3017	Latele Novela
3022	Cable Noticias	3051	Disney en Espanol	3149	Ritmoson Latino
3054	Cartoon Network en Espanol	3052	Disney XD Espanol	3078	TBN Enlace
3025	Cine Mexicano	3302	ESPN Deportes	3143	Telehit
3127	Cine Sony	3077	EWTN en Espanol	3024	TV Chile
3202	CNN en Espanol	3303	FOX Deportes	3013	WAPA America
3128	De Pelicula	3304	GoTV		
3129	De Pelicula Clasico	3104	History en Espanol		

Starz/Encore Add-on Package

932	ENCORE (E)	1951	Encore On Demand	910	Starz! Comedy (E)
933	ENCORE (W)	936	ENCORE Suspense (E)	911	Starz! Comedy (W)
938	ENCORE Action (E)	937	ENCORE Suspense (W)	1910	Starz! Comedy HD (E)
939	ENCORE Action (W)	1936	ENCORE Suspense HD (E)	904	Starz! Edge (E)
1938	Encore Action HD (E)	940	ENCORE Westerns (E)	905	Starz! Edge (W)
942	ENCORE Black (E)	941	ENCORE Westerns (W)	1904	Starz! Edge HD
943	ENCORE Black (W)	1914	Indieplex HD	1902	Starz! HD (E)
1942	Encore Black HD (E)	914	Indieplex	1903	Starz! HD (W)
934	ENCORE Classic (E)	1788	MOVIEPLEX HD	906	Starz! In Black (E)
935	ENCORE Classic (W)	788	MOVIEPLEX	907	Starz! In Black (W)
1934	ENCORE Classic HD (E)	1916	Retroplex HD	1906	Starz! In Black HD
946	ENCORE Espanol	916	Retroplex	912	Starz! Kids and Family (E)
944	ENCORE Family (E)	902	Starz! (E)	913	Starz! Kids and Family (W)
945	ENCORE Family (W)	903	Starz! (W)	1912	Starz! Kids and Family HD
1932	Encore HD (E)	908	Starz! Cinema (E)	931	Starz! On Demand
1933	Encore HD (W)	909	Starz! Cinema (W)	1931	Starz! On Demand
951	ENCORE On Demand	1908	Starz! Cinema HD (E)		

Showtime Add-on Package

890	Flix (E)	1858	Showtime Extreme HD (E)	1857	Showtime Showcase HD (W)
892	Flix On Demand	1859	Showtime Extreme HD (W)	866	Showtime Women (E)
1892	Flix On Demand	862	Showtime Family (E)	867	Showtime Women (W)
852	Showtime (E)	863	Showtime Family (W)	1866	Showtime Women HD (E)
853	Showtime (W)	1852	Showtime HD (E)	1867	Showtime Women HD (W)
854	Showtime 2 (E)	1853	Showtime HD (W)	882	TMC (E)
855	Showtime 2 (W)	864	Showtime Next (E)	883	TMC (W)
1854	Showtime 2 HD (E)	865	Showtime Next (W)	1882	TMC HD (E)
1855	Showtime 2 HD (W)	1864	Showtime Next HD (E)	1883	TMC HD (W)
860	Showtime Beyond (E)	1865	Showtime Next HD (W)	888	TMC On Demand
861	Showtime Beyond (W)	880	Showtime On Demand	1888	TMC On Demand
1860	Showtime Beyond HD (E)	1880	Showtime On Demand	884	TMC Xtra (E)
1861	Showtime Beyond HD (W)	856	Showtime Showcase (E)	885	TMC Xtra (W)
858	Showtime Extreme (E)	857	Showtime Showcase (W)	1884	TMC Xtra HD (E)
859	Showtime Extreme (W)	1856	Showtime Showcase HD (E)	1885	TMC Xtra HD (W)

HBO Add-on Package

802	HBO (E)	1806	HBO Family HD (E)	808	HBO Signature (E)
803	HBO (W)	1807	HBO Family HD (W)	809	HBO Signature (W)
804	HBO 2 (E)	1802	HBO HD (E)	1808	HBO Signature HD (E)
805	HBO 2 (W)	1803	HBO HD (W)	1809	HBO Signature HD (W)
810	HBO Comedy (E)	814	HBO Latino (E)	812	HBO Zone (E)
811	HBO Comedy (W)	815	HBO Latino (W)	813	HBO Zone (W)
1810	HBO Comedy HD (E)	1814	HBO Latino HD (E)	1812	HBO Zone HD (E)
1811	HBO Comedy HD (W)	1815	HBO Latino HD (W)	1813	HBO Zone HD (W)
806	HBO Family (E)	830	HBO On Demand	1804	HBO2 HD (E)

807 HBO Family (W)

1830 HBO On Demand

1805 HBO2 HD (W)

**TRADE SECRET/PRIVILEGED INFORMATION
CLASSIFICATION RATIONALE**

State: Minnesota

Description/Title of Information: Application of Qwest Broadband Services, Inc. d/b/a CenturyLink for a Competitive Cable Franchise Agreement with the City of Richfield

Trade Secret/Privileged Designation Rationale:

Exhibit B to the Application of Qwest Broadband Services, Inc. d/b/a CenturyLink for a Competitive Cable Franchise Agreement with the City of Richfield contains information that is considered Trade Secret because (1) CenturyLink makes reasonable efforts to ensure its privacy and (2) the data derives actual or potential independent economic value because the information is not generally known to, and not being readily ascertainable by proper means by, other persons who can obtain value from its disclosure or use. For this reason, Exhibit B to the Application of Qwest Broadband Services, Inc. d/b/a CenturyLink for a Competitive Cable Franchise Agreement with the City of Richfield should be protected from public disclosure.

Exhibit B

Has Been Redacted

In Its Entirety

Prism Rates

	Prism Essential	Prism Complete	Prism Preferred	Prism Premium
Promotional Rate	\$54.99	\$69.99	\$ 84.99	\$114.99
Rack Rate	\$74.99	\$89.00	\$104.99	\$134.99

Exhibit C



Prism offered in the following markets pursuant to state or local franchises

<u>Locally Negotiated Franchises</u>	<u>Locally Negotiated Franchises</u>	<u>Statewide Franchises</u>
<p>Gulf Shores, AL Orange Beach, AL Baldwin County, AL</p> <p>Phoenix, AZ Chandler, AZ Mesa, AZ Queen Creek, AZ Glendale, AZ Peoria, AZ Scottsdale, AZ Surprise, AZ Goodyear, AZ Maricopa County, AZ Pinal County, AZ Buckeye, AZ Florence, AZ Gilbert, AZ Casa Grande, AZ Tempe, AZ Paradise Valley, AZ Apache Junction, AZ</p>	<p>Colorado Springs, CO Denver, CO Monument, CO Fountain, CO El Paso County, CO Gypsum, CO Eagle, CO Eagle County, CO Centennial, CO Littleton, CO Castle Rock, CO Parker, CO Jefferson County, CO Lone Tree, CO Douglas County, CO</p> <p>Papillion, NE Springfield, NE Gretna, NE Ralston, NE La Vista, NE Bellevue, NE Omaha, NE Douglas County, NE Sarpy County, NE</p> <p>Salt Lake County, UT</p>	<p>Las Vegas, NV North Las Vegas, NV Clark County, NV Henderson, NV</p> <p>Tallahassee, FL Fort Myers, FL Orlando, FL</p> <p>Columbia, MO</p> <p>Raleigh/Durham DMA, NC</p> <p>LaCrosse DMA, WI</p> <p>Council Bluffs, IA Pottawattamie County, IA Carter Lakes, IA</p>

Exhibit D



Company Structure

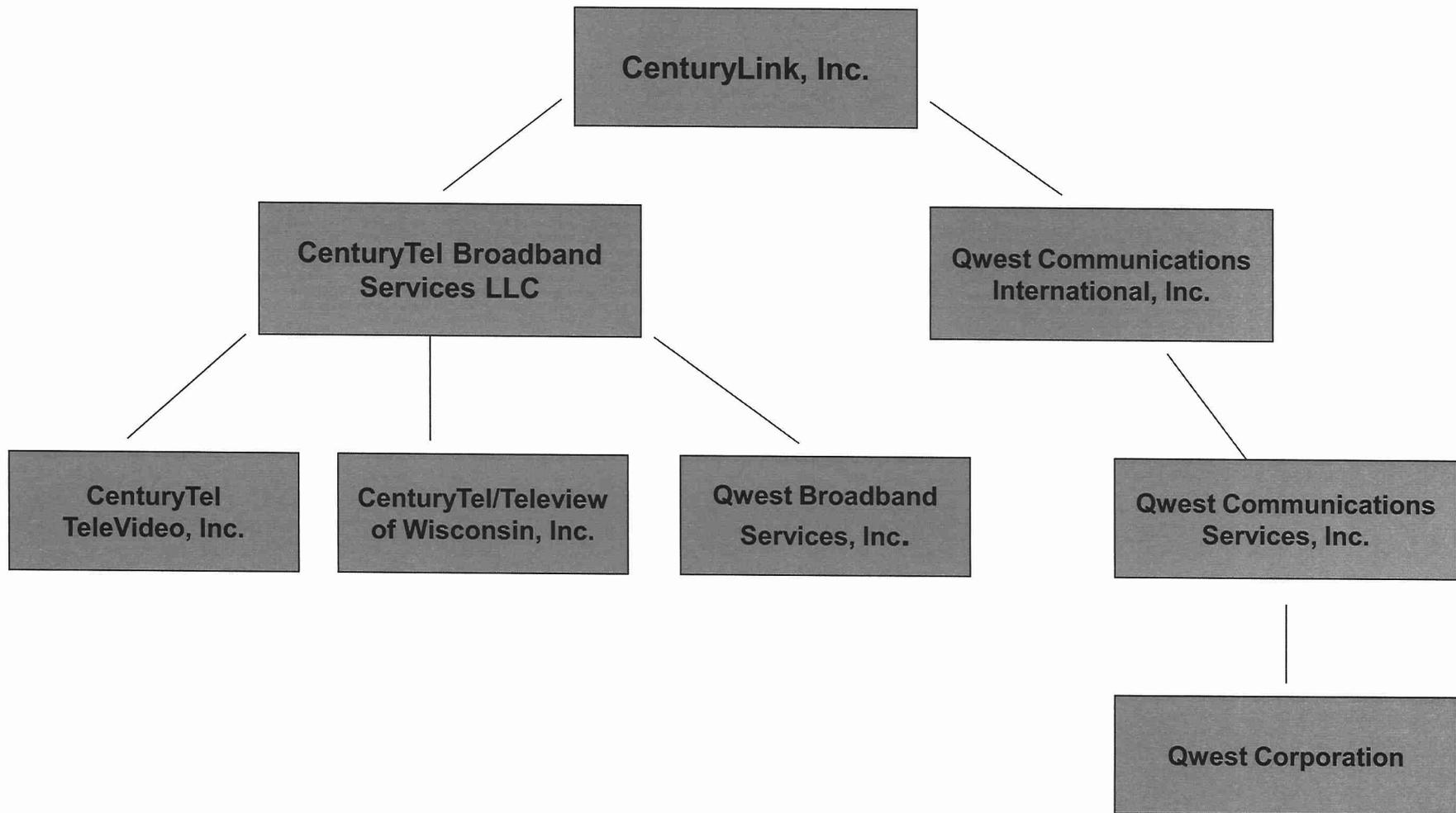


Exhibit E





STAFF REPORT NO. 76
CITY COUNCIL MEETING
5/12/2015

REPORT PREPARED BY:

Chris Regis, Finance Manager

DEPARTMENT DIRECTOR REVIEW:

Steven L. Devich, Administrative Services Director
5/7/2015

OTHER DEPARTMENT REVIEW:

None.

CITY MANAGER REVIEW:

Steven L. Devich
5/7/2015**ITEM FOR COUNCIL CONSIDERATION:**

Consideration of a resolution awarding the sale of \$9,435,000 General Obligation Street Reconstruction Bonds, Series 2015A.

EXECUTIVE SUMMARY:

At the September 23, 2014 City Council meeting the Council adopted the 5-Year Street Reconstruction Plan and authorized the issuance of street reconstruction bonds to finance the 2015 and 2016 reconstruction projects. Included in the plan were three projects to be funded with the Series 2015A Bonds. These projects are:

1. The reconstruction of 69th Street. The estimated cost of this project is \$1,600,000. The reconstruction would be between Humboldt Avenue to Knox Avenue and would include the replacement of utilities.
2. The reconstruction of Portland Avenue from 67th Street south to 77th Street. The estimated cost of this project is \$8,425,000.
 - Funding for the project is to be provided by the combination of the issuance of the Series 2015A Bonds, Municipal State Aid, Federal and County grants, and utility rate payers.
 - The reconstruction will involve the implementation of a three-lane section, improved sidewalk conditions, on-street bike lanes, multi-use trails, boulevards, replacement of utilities, and the undergrounding of parallel overhead utilities.
3. The Six Year Residential Mill & Overlay project. The overall project is estimated to cost \$19,500,000 over the six year project period.
 - Funding for the project is to be provided by a combination of the Series 2015A bonds, gas and electric franchise fees, and a future debt issue.

The debt service on the \$9,435,000 Series 2015A bonds will be split between a debt service tax levy and gas and electric franchise fees. \$4,350,000 of the bonds will be paid by debt service tax levies, while the remaining \$5,085,000 of the bonds will be repaid by gas and electric franchise fees. The term of the bonds will be twenty (20) years. The estimated annual increase in taxes from the \$4,350,000 portion of the Series 2015A bonds, for a residential property valued at \$200,000 will be approximately \$24.71.

The annual amount paid by a residential home in Richfield for gas and electric franchise fees is \$98.40.

Bids on the General Obligation Street Reconstruction Bonds, Series 2015A are due in the offices of Ehlers & Associates, Inc. on Tuesday May 12, 2015. A representative from Ehlers & Associates, Inc. will be at the City Council meeting to recommend the successful bidder and review attached documents, and provide information that is absent from the resolution and available only after the bidding on the bonds has closed.

Following Ehlers & Associates, Inc. recommendation it would be appropriate for the City Council to award the bond sale to the qualified buyer and undertake other related actions as necessary as delineated in the approving resolution. The anticipated closing on the 2015A Bonds is scheduled for June 4, 2015.

RECOMMENDED ACTION:

By Motion: Approval of the attached resolution awarding the sale of General Obligation Street Reconstruction Bonds, Series 2015A, in the original aggregate principal amount of \$9,435,000; Fixing their form and specifications; Directing their execution and delivery; and providing for their payment.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

The call for the sale of the Series 2015A bonds was approved by the City Council at the April 14, 2015 City Council meeting.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- The 69th Street Reconstruction project, the Portland Avenue Reconstruction project and the Six Year Residential Mill & Overlay project are part of the 5-Year Street Reconstruction Plan approved by the City Council on September 23, 2014.

C. CRITICAL TIMING ISSUES:

- Bids for the 69th Street Reconstruction project and the Mill & Overlay project have been awarded and bids for the Portland Avenue Reconstruction have been let. Therefore, it is important to have the necessary funding in place.

D. FINANCIAL IMPACT:

1. The estimated total cost of the 69th Street Reconstruction Project is \$1,600,000.
 - Funding for the project will be provided by G.O. Street Reconstruction Bonds.

2. The estimated total cost of the Portland Avenue Street Reconstruction Project is \$8,425,000. Funding for the project will be provided as follows:

Street Reconstruction Bonds (Net of Par)	\$ 2,600,000
Municipal State Aid	\$ 400,000
Federal Funds	\$ 3,750,000
Hennepin County	\$ 475,000
Overhead Utility Rate Payers	\$ 400,000
City of Richfield	\$ <u>800,000</u>
Total Funding	\$ <u>8,425,000</u>

3. The estimated total cost of the six year Mill & Overlay program is \$19,500,000. Funding for the program is to be provided by street reconstruction bonds and gas and electric franchise fees.

Estimated funding and costs is as follows:

2015 Street Reconstruction Bonds (Net of Par)	\$ 5,000,000
2018 Street Reconstruction Bonds (Net of Par)	\$ 5,800,000
Gas and Electric Franchise Fees	\$ 8,700,000
Total Funding	\$ <u>19,500,000</u>
Mill & Overlay	\$14,800,000
Utility	\$ 4,700,000
Total Project Cost	\$ <u>19,500,000</u>

4. The debt service on the 69th Reconstruction and Portland Avenue Reconstruction portion of the Series 2015A bonds will be serviced by debt service tax levies. The estimated annual increase in taxes due to the issuance of these bonds for a residential property valued at \$200,000 will be approximately \$24.71.

5. The debt service on the Mill & Overlay portion of the Series 2015A will be paid from gas and

electric franchise fee.

6. The annual amount of gas and electric franchise fees paid by a residential property in Richfield is \$98.40.

E. **LEGAL CONSIDERATION:**

Legal counsel has been involved in the bond sale transactions as bond counsel to the City.

ALTERNATIVE RECOMMENDATION(S):

None.

PRINCIPAL PARTIES EXPECTED AT MEETING:

Brian Reilly, Ehlers & Associates, Inc.

ATTACHMENTS:

Description	Type
☐ Street Reconstruction Bonds, Series 2015A Resolution	Resolution Letter

Extract of Minutes of Meeting
of the City Council of the City of
Richfield, Hennepin County, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Richfield, Minnesota, was duly held in the City Hall in said City on Tuesday, May 12, 2015, commencing at 7:00 P.M.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Mayor announced that the next order of business was consideration of the proposals which had been received for the purchase of the City's General Obligation Street Reconstruction Bonds, Series 2015A, to be issued in the aggregate principal amount of \$9,435,000.

The City Manager presented a tabulation of the proposals that had been received in the manner specified in the Terms of Proposal for the Bonds. The proposals were as set forth in EXHIBIT A attached.

After due consideration of the proposals, Member _____ then introduced the following written resolution, the reading of which was dispensed with by unanimous consent, and moved its adoption:

RESOLUTION NO. _____

A RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION STREET RECONSTRUCTION BONDS, SERIES 2015A, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,435,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT

BE IT RESOLVED By the City Council of the City of Richfield, Hennepin County, Minnesota (the "City") as follows:

Section 1. Sale of Bonds.

1.01. Authority.

(a) Pursuant to Minnesota Statutes, Chapter 475, as amended, specifically Section 475.58, subdivision 3b (the "Act"), the City is authorized to finance all or a portion of the cost of street reconstruction projects by the issuance of general obligation bonds of the City payable from ad valorem taxes.

(b) On September 23, 2014, following a duly noticed public hearing, the City Council of the City adopted a five-year street reconstruction plan (the "Plan") describing the streets to be reconstructed, estimated costs, and any planned reconstruction of other streets in the City and approved the issuance of obligations by vote of all of the members thereof, all pursuant to the Act.

(c) Expenditures described in the Plan for 2015 include, among other projects, the reconstruction of 69th Street, the reconstruction of Portland Avenue, and various mill and overlay projects (collectively, the "Street Reconstruction"). The City estimates that the total cost of the Street Reconstruction for 2015 is \$9,435,000, including capitalized interest, costs of issuance, and bond discount.

(d) The City Council has determined that, within thirty (30) days after the hearing, no petition for a referendum on the issuance of bonds to pay costs of the Street Reconstruction was received by the City in accordance with the Act.

(e) The City Council finds it necessary and expedient to the sound financial management of the affairs of the City to issue its General Obligation Street Reconstruction Bonds, Series 2015A (the "Bonds"), in the original aggregate principal amount of \$9,435,000, pursuant to the Act, to provide financing for the Street Reconstruction.

(f) The City is authorized by Section 475.60, subdivision 2(9) of the Act to negotiate the sale of the Bonds, it being determined that the City has retained an independent financial advisor in connection with such sale. The actions of the City staff and municipal advisor in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

1.02. Award to the Purchaser and Interest Rates. The proposal of _____ (the "Purchaser") to purchase the Bonds is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of \$ _____ (par amount of \$9,435,000, [plus original issue premium of \$ _____,] [less original issue discount \$ _____,] less underwriter's

discount of \$ _____), plus accrued interest to date of delivery, if any, for Bonds bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2016	%	2027	%
2017		2028	
2018		2029	
2019		2030	
2020		2031	
2021		2032	
2022		2033	
2023		2034	
2024		2035	
2025		2036	
2026			

True interest cost: _____%

1.03. Purchase Contract. The sum of \$ _____, being the amount proposed by the Purchaser in excess of \$9,350,085, shall be credited to Debt Service Fund hereinafter created or deposited in the Construction Fund hereinafter created, as determined by the Finance Manager of the City in consultation with the City’s municipal advisor. The Finance Manager is directed to retain the good faith check of the Purchaser, pending completion of the sale of the Bonds, and to return the good faith checks of the unsuccessful proposers. The Mayor and City Manager are directed to execute a contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to the Act, in the total principal amount of \$9,435,000, originally dated June 4, 2015, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2016	\$	2027	\$
2017		2028	
2018		2029	
2019		2030	
2020		2031	
2021		2032	
2022		2033	
2023		2034	
2024		2035	
2025		2036	
2026			

1.05. Optional Redemption. The City may elect on February 1, 2024, and on any day thereafter to prepay Bonds due on or after February 1, 2025. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such

maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

[1.06. Mandatory Redemption; Term Bonds. To be completed if Term Bonds are requested by the Purchaser.]

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2016, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints Wells Fargo Bank, National Association, Minneapolis, Minnesota, as the initial Registrar. The Mayor and the City Manager are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of the City Council, the Finance Manager must transmit to the Registrar moneys sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Manager and executed on behalf of the City by the signatures of the Mayor and the City Manager, provided that those signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer

before the delivery of a Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been so prepared, executed and authenticated, the City Manager will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

2.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in EXHIBIT B attached hereto with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form set forth in EXHIBIT B.

3.02. Approving Legal Opinion. The City Manager is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which is to be complete except as to dating thereof and cause the opinion to be printed on or accompany each Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Debt Service Fund. The Bonds will be payable from the General Obligation Street Reconstruction Bonds, Series 2015A Debt Service Fund (the "Debt Service Fund") hereby created. The Debt Service Fund shall be administered and maintained by the Finance Manager as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Finance Manager shall timely deposit in the Debt Service Fund the ad valorem taxes levied herein (the "Taxes"), which Taxes are pledged to the Debt Service Fund. There is also appropriated to the Debt Service Fund (i) capitalized interest financed from the proceeds of the Bonds, if any; and (ii) amounts over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof.

4.02. Construction Fund. The City hereby creates the General Obligation Street Reconstruction Bonds, Series 2015A Construction Fund (the "Construction Fund"). Proceeds of the Bonds, less the appropriations made in Section 4.01 hereof, together with the Taxes and any other funds appropriated for the Street Reconstruction collected during the construction of the Street Reconstruction, will be deposited in the Construction Fund to be used solely to defray expenses of the Street Reconstruction and the payment of principal and interest on the Bonds prior to the completion and payment of all costs of the Street Reconstruction. When the Street Reconstruction is completed and the cost thereof paid, the Construction Fund is to be closed and any funds remaining may be deposited in the Debt Service Fund.

4.03. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be

promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

4.04. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Bonds, there is levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Taxes will be credited to the Debt Service Fund above provided and will be in the years and amounts as attached hereto as EXHIBIT C.

4.05. Certification to Taxpayer Services Division Manager as to Debt Service Fund Amount. It is hereby determined that the estimated collections of Taxes will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levy herein provided is irrevocable until all of the Bonds are paid, provided that at the time the City makes its annual tax levies the Finance Manager may certify to the Taxpayer Services Division Manager of Hennepin County, Minnesota (the "Taxpayer Services Division Manager") the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the Taxpayer Services Division Manager will thereupon reduce the levy collectible during such year by the amount so certified.

4.06. Registration of Resolution. The City Manager is authorized and directed to file a certified copy of this resolution with the Taxpayer Services Division Manager and to obtain the certificate required by Section 475.63 of the Act.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, the City Manager, and the Finance Manager are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. Other Certificates. The Mayor, City Manager, and Finance Manager are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor, the City Manager, and the Finance Manager shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Manager shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

5.04. Payment of Costs of Issuance. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota on the closing date for further distribution as directed by the City's municipal advisor, Ehlers & Associates, Inc.

Section 6. Tax Covenant.

6.01. Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

6.02. Rebate. The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States.

6.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City makes the following factual statements and representations:

- (a) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (b) the City designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which will be issued by the City (and all subordinate entities of the City) during calendar year 2015 will not exceed \$10,000,000; and
- (d) not more than \$10,000,000 of obligations issued by the City during calendar year 2015 have been designated for purposes of Section 265(b)(3) of the Code.

6.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC"). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no

responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Manager of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words “Cede & Co.” will refer to such new nominee of DTC; and upon receipt of such a notice, the City Manager will promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which will govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC’s Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. Execution of Continuing Disclosure Certificate. “Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate executed by the Mayor and City Manager and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

8.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

Section 9. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Passed and adopted this 12th day of May, 2015.

Mayor

Attest:

City Clerk

EXHIBIT A
PROPOSALS

EXHIBIT B
FORM OF BOND

No. R-_____ UNITED STATES OF AMERICA \$_____
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY OF RICHFIELD

GENERAL OBLIGATION STREET RECONSTRUCTION BOND
SERIES 2015A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20__	June 4, 2015	

Registered Owner: Cede & Co.

The City of Richfield, Minnesota, a duly organized and existing municipal corporation in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$_____ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing February 1, 2016, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Wells Fargo Bank, National Association, Minneapolis, Minnesota, as Bond Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2024, and on any day thereafter to prepay Bonds due on or after February 1, 2025. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$9,435,000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the City Council on May 12, 2015 (the "Resolution"), for the purpose of providing money to defray the expenses incurred and to be incurred in making certain street reconstruction improvements, pursuant to and in full conformity with the home rule charter of the City and the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 475, as amended, specifically, Section 475.58, subdivision 3b. The principal hereof and interest hereon are payable from ad valorem taxes, as set forth in the Resolution to which reference is made for a full

statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in taxes pledged, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

The City Council has designated the issue of Bonds of which this Bond forms a part as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) relating to disallowance of interest expense for financial institutions and within the \$10 million limit allowed by the Code for the calendar year of issue.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner’s attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner’s attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Bond Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the home rule charter of the City and the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional, charter, or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Richfield, Hennepin County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Manager and has caused this Bond to be dated as of the date set forth below.

Dated: June 4, 2015

CITY OF RICHFIELD, MINNESOTA

(Facsimile)
Mayor

(Facsimile)
City Manager

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By _____
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT
_____ Custodian _____

TEN ENT -- as tenants by entireties

(Cust) _____ (Minor)
under Uniform Gifts or Transfers to Minors
Act, State of _____

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program (“STAMP”), the Stock Exchange Medallion Program (“SEMP”), the New York Stock Exchange, Inc. Medallion Signatures Program (“MSP”) or other such “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STEMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Officer of Registrar</u>
_____	Cede & Co. Federal ID #13-2555119	_____

EXHIBIT C

TAX LEVY SCHEDULE

<u>YEAR *</u>	<u>TAX LEVY</u>
2016	
2017	
2018	
2019	
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	

** Year tax levy collected.*

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN) SS.
)
CITY OF RICHFIELD)

I, being the duly qualified and acting City Clerk of the City of Richfield, Hennepin County, Minnesota (the “City”), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on May 12, 2015 with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City’s General Obligation Street Reconstruction Bonds, Series 2015A, in the original aggregate principal amount of \$9,435,000.

WITNESS My hand officially as such City Clerk and the corporate seal of the City this _____ day of _____, 2015.

(SEAL)

City Clerk
City of Richfield, Minnesota